



華商國際

CMIC OCEAN EN-TECH

股份代號：0206

Stock Code: 0206

綜合能源
INTEGRATED ENERGY AND
SMART LOW-CARBON
智慧低碳



ANNUAL REPORT
年報 2021





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CORPORATE PROFILE

公司簡介

BUSINESS OVERVIEW

CMIC Ocean En-Tech Holding Co., Ltd. (“CMIC” or the “Company”, formerly known as TSC Group Holdings Limited) was incorporated in the Cayman Islands and is listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The Company and its global subsidiaries (the “Group”) are primarily engaged in asset investment and operation management of offshore engineering platforms, design, manufacturing and service of related equipment and packages in the land and offshore oil and gas exploration and development, the offshore wind power installation and other industries, and other clean energy and technology investments.

The Group’s core offshore engineering equipment and packages businesses have reached world leading standard after many years of development. Its principal businesses include the design, manufacture, installation and commissioning of onshore and offshore drilling rig equipment and packages etc.. Specific equipment products include cranes, machine rack pipes, jacking systems, power control and transmission systems, tension adjustment and compensation devices and systems, etc., as well as drilling rigs maintenance, repair and operation (MRO) products and services, including oilfield expendables, accessories and parts manufacturing, sale and repair services. This year, the Group successfully ventured into the high-power deep-water offshore wind power installation market, providing high-end core equipment for a new generation of 1,600 tonnes jack-up wind power installation platform; at the same time, the Group has also actively deployed for the hydrogen energy market, and thus a new segment company was established for new energy. We gain insight into new opportunities for dual-carbon development, explore the path for energy transformation, and expand opportunities for new products and new business models in the new energy industries such as offshore wind power operation and maintenance, floating wind power and hydrogen energy.

In addition, the Company operates four jack-up drilling rigs, two of which provide drilling rig service for Abu Dhabi National Oil Company in the Middle East and two of which provide drilling rig service for the national oil company of Mexico in Gulf of Mexico. The four rigs operated normally throughout the year and were well received by the owners, and their contracts have been successfully renewed this year. The Company’s offshore asset management business is gradually maturing and growing steadily.

業務簡介

華商國際海洋能源科技控股有限公司(簡稱「華商國際」或「本公司」,原「TSC集團控股有限公司」)於開曼群島註冊成立,在香港聯合交易所有限公司(「聯交所」)主板上市。本公司及其全球附屬公司(合稱「本集團」)的主營業務為海洋工程平台資產投資及運營管理,陸上和海洋油氣勘探開發、海上風電安裝等行業相關設備及設備整包設計、製造與服務,以及其他清潔能源和科技投資業務。

本集團海洋工程核心裝備及總包業務經過多年發展已到達世界領先水平,主要業務包括:陸上及海洋鑽井平台設備及總包的設計、製造、安裝及調試等;具體設備產品包括:吊機、機械排管、升降系統、電力控制及傳動系統、張力調整及補償裝置及系統等以及鑽井平台保養、維修及營運(MRO)產品和服務:包括油田耗材、配件及零件製造、銷售和維修服務。今年集團成功進軍大功率深水海上風電安裝市場,為新一代1,600噸自升式風電安裝平台提供高端核心裝備;同時,集團也積極佈局氫能市場,新能源方面成立了新的板塊公司。洞察雙碳發展新機遇,探索能源轉型之路,拓展海上風電運維、浮式風電、氫能等新能源行業新產品、新業務模式機會。

另外,本公司運營管理4座自升式鑽井平台,其中兩座平台在中東地區為阿布扎比國家石油公司提供鑽井服務,兩座平台在墨西哥灣為墨西哥國家石油公司提供鑽井服務。4座平台全年作業正常,受到業主方好評,並在今年順利續約。公司海工資產管理業務逐漸走向成熟,並穩步發展壯大。



The Group pays close attention to the development of clean energy and intelligent technology related industries, proactively looks for opportunities for investment in and consolidation of marine energy science and technology related industries to achieve synergistic effects of each of the Group's business segments. Through investing in the undervalued opportunities along the industrial supply chain, the Group is committed to enhancing the overall performance of the Company and to maximising the interest of the shareholders and investors.

In the medium to long term, we will continue to focus on the development of the clean energy and marine energy-related technology industries. The market share of fossil energy based on oil and gas is gradually weakening amid the global upsurge of carbon neutrality and carbon peak. Governments all over the world have clear carbon reduction goals, reducing carbon emissions and developing green new energy sources will become the general direction of the global energy industry in the future. Global oil companies, oil service companies and engineering companies are all actively deploying for the new energy industry. In the medium term, leveraging on the extensive industry resources of the old and new teams, in line with the momentum of green energy such as hydrogen energy and offshore wind power development, and joining forces with the substantial shareholders, we will take the layout of the green energy technology equipment market as an opportunity to exploit our traditional strengths in equipment manufacturing, asset management and supply chain services, continue to build and enhance the quality and efficiency of utilisation and brand influence of green energy equipment manufacturing, services and management, and use capital operation methods such as listing, funds and finance leases to obtain stable capital support. In the long term, we will continue to develop our business in the green energy sector in line with the global energy revolution, and will rely on our technological expertise in conventional energy and our experience in hydrogen energy and offshore wind power to achieve comprehensive development, thus making new and greater contributions to the strategic goals of carbon reduction and green energy.

本集團密切關注清潔能源和智慧科技相關產業發展，積極尋求海洋能源科技相關產業投資和整合機會，實現本集團各業務板塊協同聯動效應。通過對產業鏈價值窪地的投資，本集團致力提升本公司整體業績表現，實現股東和投資者利益最大化。

未來中長期發展，我們將繼續聚焦清潔能源以及與海洋能源相關的科技產業發展。在全球碳中和碳达峰熱潮中，以油氣為基礎的化石能源市場佔有率在逐漸減弱。各國政府均有明確的減碳目標，減少碳排放，發展綠色新能源成為未來全球能源行業的大方向。全球油公司、油服公司、工程公司都在積極佈局新能源行業。中期，我們將借助新老團隊廣泛深厚的行業資源，順應氫能、海上風電等綠色能源的發展勢頭，聯合大股東，以綠色能源科技裝備市場佈局為契機，發揮裝備製造、資產管理及供應鏈服務的傳統優勢，繼續打造和提升綠色能源裝備製造、服務與管理的使用質效和品牌影響力，利用上市平台、基金、融資租賃等資本運作方式，獲得穩定的資金支持；遠期，順應全球化能源變革進程，繼續向綠色能源領域深入發展，憑借服務傳統能源的技術積累以及進軍氫能和海上風電的服務經驗，實現全面發展，為減碳、綠色能源的戰略目標做出新的更大貢獻。



CORPORATE PROFILE | MILESTONES

公司簡介 | 里程碑

Emer International started business in Houston, Texas, U.S.A. and introduced a multiple advanced equipment and technologies to China's oil and gas industry

埃謨國際於美國德州休斯頓上市開業，為中國油氣行業引進多項首台首套裝備和技術



1995

2001

HHCT, Emer International's first manufacturing facility, was founded in Xi'an, China and manufactured power control and driving systems for onshore drilling

埃謨國際的第一生產基地海爾海斯(HHCT)於中國西安成立，製造陸地鑽機電力控制和驅動系統



Emer International's 2nd manufacturing facility, a manufacturing plant for hydraulic ends and accessories of mud pumps, was founded in Qingdao, China

埃謨國際於中國青島建立第二生產基地，泥漿泵液力端和配件製造廠

2002

2005

Emer International was listed on GEM of the Stock Exchange

埃謨國際於聯交所GEM上市



2007

2008

Emer International acquired GME (London AIM), and was rebranded as TSC Offshore, expanded the product line of offshore drilling equipment and acquired the full capability of offshore drilling rigs. It became one of the few companies in the world that could provide the whole package of offshore drilling rigs in parallel with NOV and MH

埃謨國際收購GME (London AIM)並改名為TSC海洋，擴大了海上鑽井平台裝備產品線，具備海上鑽機整包能力，與NOV、MH並列成為全球少數能提供海上鑽井整包的公司之一



Emer International obtained solid control production line and lifting system product line through the acquisition of Zhengzhou Highlight and Zhengzhou Gear and became the only company in China that can provide research and development, design and manufacture of lifting device for jack-up rigs

埃謨國際通過收購鄭州海來和鄭州吉爾，獲得固控生產線和升降系統產品線，成為中國唯一能提供自升式平台升降裝置研發、設計和製造的公司



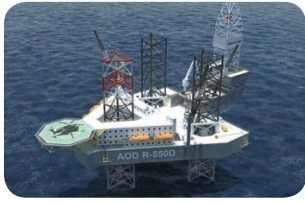
TSC Offshore transferred its listing to the Main Board of the Stock Exchange

TSC海洋轉至香港聯交所主板上市

2009

CORPORATE PROFILE | MILESTONES

公司簡介 | 里程碑



The Company constructed high spec R-550D jack-up drilling rigs with Zentech and CSSC

與Zentech及中船合作製造高規格R-550D自升式平台

In the same year, the Company established the Qingdao equipment manufacturing base

同年，建立青島裝備製造基地



2013

Minsheng Trust became a strategic shareholder of the Company in February 2019

二零一九年二月民生信託成為公司戰略股東

In the same year, TSC Group Holdings Limited was officially renamed as CMIC Ocean En-Tech Holding Co., Ltd.

同年TSC集團控股有限公司正式更名為華商國際海洋能源科技控股有限公司

In May 2019, the sale of two units of CJ46 rigs to Shelf was completed. The overseas team won the contract for the offshore rig service project of Pemex in relation to provision of two units of JU2000E rigs to the other party

同年五月，2座出售給Shelf的CJ46平台完成交割，海外團隊中標Pemex海上鑽井服務專案，為對方提供2座JU2000E鑽井平台

2019

In 2021, TSC China and CM Industry Group actively promoted the development of strategic cooperation in offshore wind power installation

Latest improvements gained in 2021:

- China Merchant Hydrogen Energy Segment Company(華商氫能板塊公司) was established, and China Merchant Hydrogen Energy Technology (Qingdao) Co., Ltd. (華商氫能技術(青島)有限公司) was established
- China Merchant Hydrogen Energy Technology (Qingdao) Co., Ltd. entered into an agreement with Tan Kah Kee Laboratory of Xiamen University to establish a joint venture "China Merchant Xia Kah Green Hydrogen Technology Co., Ltd.(華商廈庚氫能技術(廈門)有限公司)"
- In 2021, the Company participated in the CMHI-27201 wind power installation vessels project of CM Industry Group, the first deep-water high-power wind power installation platform with independent intellectual property rights in China, to provide core complete sets of equipment and technology integration

二零二一年，TSC中國與招商工業集團積極推進開展海上風電安裝領域的戰略合作

2021新增：

- 華商氫能板塊公司成立，華商氫能技術(青島)有限公司成立
- 華商氫能技術(青島)有限公司與廈門大學嘉庚實驗室簽約成立「華商廈庚氫能技術(廈門)有限公司」合資公司
- 2021年參與招商工業集團CMHI-27201風電安裝船項目，國內首條具有自主知識產權的深水大功率風電安裝平台提供核心成套設備和技術集成

2021

2011

TSC Offshore rebranded as TSC Group

TSC海洋更名為TSC集團

In the same year, China International Marine Containers became a strategic shareholder of TSC Group

同年，中集集團成為TSC戰略股東



2018

China Merchants & Great Wall Ocean Strategy & Technology Fund (L.P.) became the controlling shareholder of TSC Group in February 2018

二零一八年二月招商局長城海洋科技戰略發展產業基金成為TSC集團的控股股東

The Hong Kong Strategic Headquarters was established in July 2018

二零一八年七月香港戰略型總部設立

In December 2018, two CJ46 drilling rigs were bareboat chartered to SMS to provide services to Abu Dhabi National Oil Company, marking a breakthrough in strategic transformation

同年十二月出租兩台CJ46鑽井平台給SMS，服務於阿布達比石油公司，戰略轉型突破



2020

In the first half of 2020, Zhengzhou Company successfully secured orders for two sets of lifting systems for offshore wind power installation vessels, and has accumulated orders for four sets of similar products

二零二零年上半年，鄭州公司成功獲得兩套海上風電安裝船升降系統訂單，鄭州公司已累計提供4套同類產品訂單

In August 2020, the Company signed a global settlement deed with Huangpu Shipbuilding for the H6001 and H6006 projects, through which Huangpu Shipyard became a strategic shareholder of the Company

同年八月，黃埔船廠透過與本公司就H6001和H6006專案簽署全球和解契據成為公司戰略股東

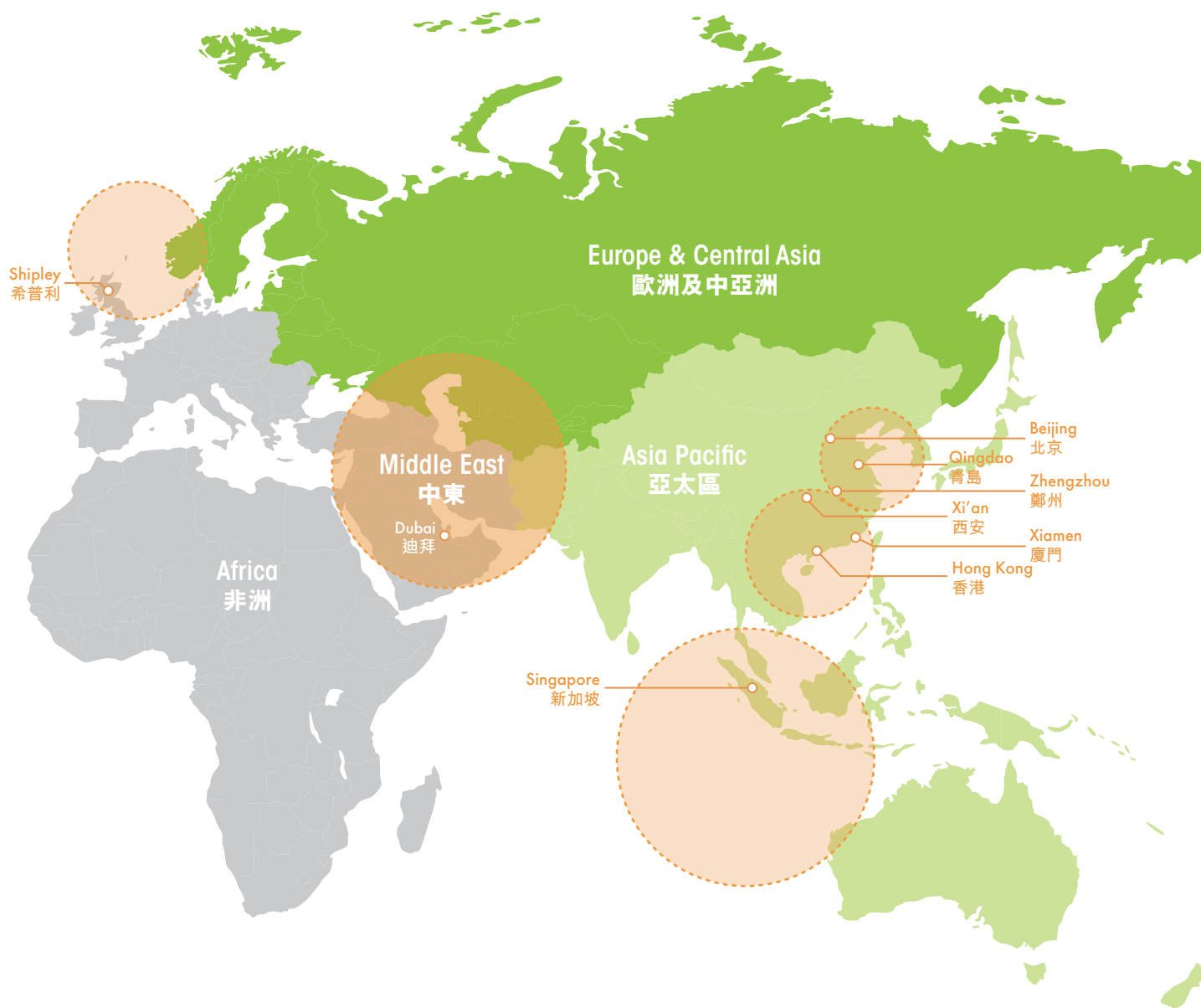
In October 2020, the land sale contract of Qingdao offshore base was officially signed, effectively revitalizing the idle assets of the Company

同年十月，青島海工基地土地出售合同正式簽署，有效盤活公司閒置資產

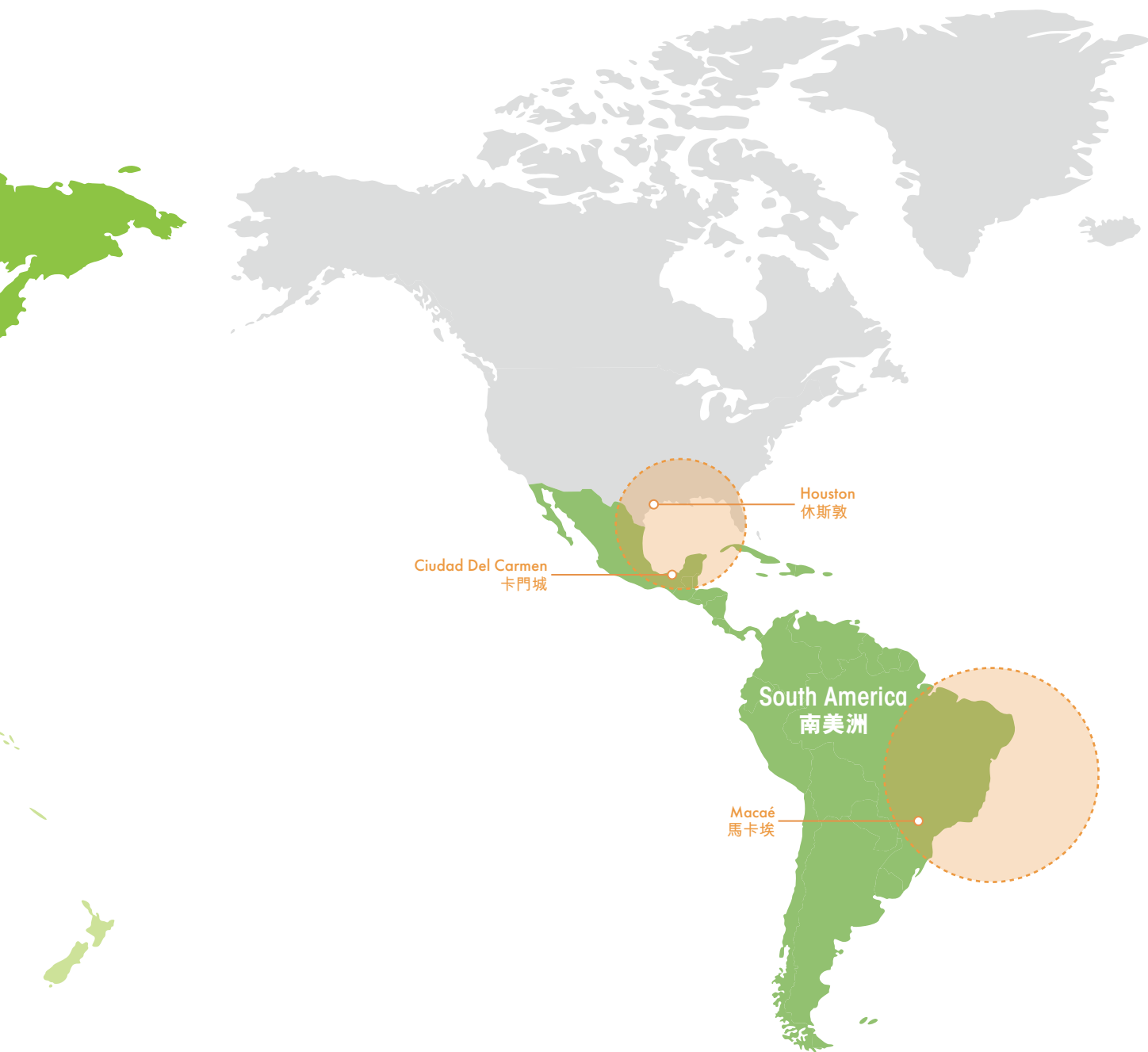
GLOBAL SOLUTIONS

環球解決方案

Deep distribution of global hotspots of oil and gas and new energy, boosting the value integration of the offshore industry and new energy business chain
全球油氣及新能源熱點區域深度佈局，助力海工與新能源業務產業鏈價值整合



- GLOBAL NETWORKS
全球網點
- HOTSPOTS OF OIL AND GAS AND NEW ENERGY
油氣及新能源熱點區域



FIVE YEARS FINANCIAL SUMMARY

五年財務概要

The following is a summary of the consolidated results, assets and liabilities of the Group prepared on the basis set out in the notes below.

以下為本集團根據下文附註所載基準編製的綜合業績、資產及負債概要。

CONSOLIDATED RESULTS

綜合業績

	2021 二零二一年	2020 二零二零年 (Restated) (經重列) Note 附註	2019 二零一九年	2018 二零一八年	2017 二零一七年	
	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	
Revenue	收入	57,027	65,882	70,246	58,839	76,552
Cost of sales	銷售成本	(36,363)	(54,265)	(46,210)	(48,792)	(67,331)
Gross profit	毛利	20,664	11,617	24,036	10,047	9,221
Other revenue and net income (including reversal of impairment losses/provisions)	其他收益及淨收入 (包括減值虧損撥回/撥備)	19,548	27,980	14,404	934	2,411
Selling and distribution expenses	銷售及分銷開支	(3,914)	(4,818)	(4,981)	(5,635)	(6,902)
General and administrative expenses	一般及行政開支	(19,775)	(21,705)	(23,960)	(27,693)	(25,991)
Other operating expenses (including impairment losses/provisions)	其他經營開支(包括減值虧損/撥備)	(1,919)	(3,767)	(1,239)	(6,609)	(58,797)
Finance costs	財務成本	(489)	(660)	(1,727)	(2,450)	(4,352)
Share of profit less losses of associates	分佔聯營公司溢利減虧損	255	18	36	1	4
Share of profit of joint venture	分佔合營公司溢利	1,370	1,216	3,728	-	-
Profit/(loss) before taxation	除稅前溢利/(虧損)	15,740	9,881	10,297	(31,405)	(84,406)
Income tax (expenses)/credit	所得稅(開支)/抵免	(6,396)	949	(979)	(10,381)	987
Profit/(loss) for the year attributable to equity shareholders of the Company	本公司股權股東佔年內溢利/(虧損)	9,220	10,916	9,701	(41,358)	(82,790)

Note: For the year ended 31 December 2021, the Group has recorded as "Revenue" instead of "Other Revenue" for rental income arising from leases of capital equipment classified as operating leases as it is regarded as a principal activity due to its increasing importance to the Group. Accordingly, the comparative information of the rental income and related costs are restated to conform with the current year's presentation.

附註：截至二零二一年十二月三十一日止年度，本集團已就租賃分類為經營租賃的資本設備產生的租金收入錄得「收益」而非「其他收益」，乃由於該業務因其對本集團的重要性不斷增加而被視為一項主要業務。因此，租金收入及相關成本的比較資料經已重列，以符合本年度的呈報方式。

FIVE YEARS FINANCIAL SUMMARY

五年財務概要

ASSETS AND LIABILITIES

資產與負債

		2021 二零二一年 US\$'000 千美元	2020 二零二零年 US\$'000 千美元	2019 二零一九年 US\$'000 千美元	2018 二零一八年 US\$'000 千美元	2017 二零一七年 US\$'000 千美元
Non-current assets	非流動資產	76,680	72,634	97,587	52,774	73,355
Current assets	流動資產	153,217	157,296	258,591	228,008	241,252
Current liabilities	流動負債	(79,159)	(93,422)	(228,789)	(245,183)	(286,619)
Net current assets/(liabilities)	流動資產淨值/(負債)	74,058	63,874	29,802	(17,175)	(45,367)
Non-current liabilities	非流動負債	(2,160)	(1,224)	(6,975)	(7,201)	(14,321)
Total assets	總資產	229,897	229,930	356,178	280,782	314,607
Total liabilities	總負債	(81,319)	(94,646)	(235,764)	(252,384)	(300,940)
Net assets	資產淨值	148,578	135,284	120,414	28,398	13,667

Notes:

- The summary of consolidated results of the Group includes the results of the Company and its subsidiaries as if the current Group structure had been in existence throughout the financial periods, or from the respective dates of the incorporation where this is a shorter period. The consolidated results of the Group for the year ended 31 December 2021 are as set out on pages 122 to 123 of the audited financial statements.
- The consolidated statement of financial position of the Group as at 31 December 2021 are as set out on pages 124 to 125 of the audited financial statements.

附註：

- 本集團的綜合業績概要包括本公司及其附屬公司的業績，猶如目前的集團架構於財政期間或自該等公司各自註冊成立當日起(以較短者為準)一直存在。本集團截至二零二一年十二月三十一日止年度的綜合業績載於經審核財務報表的第122頁至123頁。
- 本集團於二零二一年十二月三十一日的綜合財務狀況表載於經審核財務報表的第124頁至125頁。

CHAIRMEN'S STATEMENT

主席報告

The year 2021 is the start of the 14th Five-Year Plan and the “double carbon” strategic objective of our country, as well as a year of choice of transformation for energy and power development. In the past year, although the global economy was still affected by the COVID-19 pandemic, the recovery of the oil market was moving in a positive direction with the universal availability of vaccines and the lifting of blockade for the pandemic in some countries, and there was still uncertainty. The year 2021 saw an overall growth trend in global crude oil demand and a significant rebound in the average crude oil price compared to 2020, with favorable situation on both supply and demand being a major supporting factor for the rise in oil prices. As the global energy transition advances, the use of low-carbon energy has become a major concern for countries around the world. Hydrogen energy has become an important tool for countries worldwide to achieve carbon neutrality due to its unique advantages in terms of storage and energy density.

Against such backdrop, CMIC is actively adapting to the new normal, seizing the opportunities and facing up to the challenges for transformation. 2021 also marked a year for CMIC to carry out comprehensive transformation, in order to keep up with the pace of global energy development. In terms of business structure, CMIC has formed a “two-wheel drive” layout with the development of traditional energy business in parallel with new energy business:

- The traditional energy business continued to leverage on its traditional advantages in high-end equipment manufacturing, supply chain services and asset management of the Company, and integrated new elements such as “green, digital and intelligent” in high-end manufacturing. Through the shareholdings in relevant enterprises, CMIC continued to build the Made in China 2025 reform with intelligent repair and shipbuilding and intelligent shipyard, focusing on the digitization and intelligence of the shipbuilding industry; taking high-end equipment manufacturing as a core, CMIC extended its equipment advantages in the field of oil and gas and offshore engineering industry to the field of offshore wind power, so as to realise integrated construction, operation and maintenance and services of high-end marine green facilities.
- The new energy business will take “hydrogen energy” as the main direction, and has a new business segment, with a focus on upstream and downstream businesses of the industrial chain such as the research and development and production of high-tech products, industrial investments, and the development of hydrogen energy application scenarios. CMIC, through joint ventures with universities and national laboratories, jointly promoted the implementation of industrialisation results of the hydrogen energy technology and, leveraged on its own international businesses and networks to realize the expansion of hydrogen energy industry to overseas markets. Leveraged on the advantages of “Made in China” and complete domestic industrial chain resources, CMIC realized the global development of this business.

CHAIRMEN'S STATEMENT 主席報告

At the same time of business transformation and development, CMIC has been paying attention to global climate change, focusing on the coordinated development of corporate environment and social environment. At the end of last year, the CMIC team successfully signed supply contracts for all core equipment of a new generation of large-scale jack-up wind power installation platform. Under the innovative business model of "industry + finance", the project has stronger market competitiveness, which contributed to the promotion of the low-cost commercial development of large-scale offshore wind power equipment and the "30•60" national strategy. In addition to conducting more business cooperation and capital investment in green, energy-saving and renewable energy and other technological fields, CMIC also strengthened the management of energy-saving emissions for its subordinate manufacturing enterprises, formulated a strict performance system, and was committed to reducing greenhouse gas emissions and energy consumption; in addition, it started from the source of product design, optimised product structure, improved product performance, rationally used materials, improved inventory turnover, strengthened refined management, and made the entire enterprise more sustainable.

The efforts and achievements of CMIC made in the past year are compelling for all of us. Although the transformation and layout of the market is promising, it will have a long way to go for future development. In the forthcoming year, CMIC will seize opportunities, think about changes and make breakthroughs, and pursue new and far-reaching goals. I am confident that CMIC will bring more changes and surprises in the new year. The Company will also continue to maintain close connections with its strategic shareholders to strengthen business synergy and strategic cooperation. I also look forward to witnessing the growth of CMIC and setting the benchmark in emerging areas with all the Board members.

Lou Dongyang

Lou Dongyang
Chairman of the Board

Hong Kong, 25 March 2022

CHAIRMEN'S STATEMENT

主席報告

2021年是國家「十四五」規劃及「雙碳」戰略目標開局之年，也是能源電力發展的轉型之年。過去的一年，儘管新冠疫情依然影響著全球經濟，但隨著疫苗的普及以及部分國家防疫封鎖的解除，石油市場的復甦正在朝積極的方向發展，但仍然存在不確定性。2021年全球原油需求整體仍保持增長趨勢，原油均價較2020年大幅反彈，供需兩端的利好成為油價上漲的主要支撐因素。隨著全球能源轉型不斷推進，低碳能源利用成為全球各國關注重點。氫能因在儲存和能量密度方面具有獨特優勢，亦成為全球各國實現碳中和的重要抓手。

在此大環境下，華商國際積極適應新常態，抓住機遇，迎難而上，積極轉型。為緊隨全球能源發展趨勢，2021年對於華商國際而言，也是全面戰略轉型落地的一年。業務結構上，形成了傳統能源業務與新能源業務「雙輪驅動」的佈局：

- 傳統能源業務繼續發揮公司在高端裝備製造、供應鏈服務及資產管理方面的傳統優勢，高端製造融合「綠色、數字、智能」等新元素。通過參股相關企業，圍繞船舶工業的數字化和智能化，打造修、造船智能化和船廠智能化的中國製造2025改革；以高端裝備製造為核心，將公司在油氣海工領域的裝備優勢擴展到海上風電領域，構建海洋綠色高端設施一體化建造、運維與服務。
- 新能源業務將以「氫能」為主軸，成立新的業務板塊，聚焦高新技術產品的研發生產、產業內投資，以及應用場景開發等產業鏈上下游業務。通過與高校和國家級實驗室合資合作推進氫能技術產業化成果落地，並通過公司本身的國際業務和網點，實現氫能產業向海外市場開拓，利用「中國製造」優勢及國內完整的產業鏈資源，實現該業務的全球化發展。

CHAIRMEN'S STATEMENT 主席報告

在業務轉型發展的同時，華商國際一直關注全球氣候變化，聚焦企業環境與社會環境協調發展。去年底，華商團隊成功簽署了最新一代大型自升式風電安裝平台的全部核心裝備供貨合同，並在「實業+金融」的創新業務模式下，使該項目具備了較強的市場競爭力，為推動海上大型風電裝備向低成本商業化發展和「30·60」國家戰略貢獻了力量。除了在經營合作和資本投資更多的傾向於綠色、節能、可再生能源等技術領域外，也加強了對下屬的生產製造企業的節能排放管理，制定了嚴格的績效體系，致力於減少溫室氣體排放及能源消耗；另外，從產品設計的源頭出發，優化產品結構，完善產品性能，合理利用材料，提高庫存周轉率，強佬精細化管理，使整個企業更加可持續性發展。

華商國際在去年的努力以及收穫的成果有目共睹！轉型佈局市場雖然前景廣闊，但未來發展將任重道遠。華商國際在新的一年要抓住機遇、思變破局、謀新致遠！我相信在新的一年，華商國際會帶來更多的轉變和驚喜。公司也將繼續與戰略股東保持緊密聯繫，加強業務協同與戰略合作。我也期待與各位董事會成員，共同見證華商國際的成長，在新的領域樹立標桿。

婁東陽

婁東陽
董事會主席

謹啓

香港，二零二二年三月二十五日

CEO'S STATEMENT

首席執行官報告

Entering the year of 2021, COVID-19 continued to ravage the world. However, with the continuous increase in COVID-19 vaccination rates and major economies around the world reopening and launching growth stimulus packages, there was a slow economic recovery, an accelerated inflation, and a decline in the growth rate of unemployment globally. In the second half of 2021, due to the emergence of mutant strains such as Delta and Omicron and their strong infectivity, the process of global economic recovery was hindered. Facing such tough social and economic situations, the Company maintained the steady development of traditional businesses through reducing costs and increasing efficiency against the backdrop of bumpy recovery of oil and gas and offshore engineering industries in 2021. In the meantime, the Company has also deployed in new energy sectors such as offshore wind power and hydrogen energy, with certain achievements made. In 2021, the Group recorded revenue of approximately US\$57.0 million, and a net profit of approximately US\$9.3 million. The Group has maintained profitable for the third consecutive year, which was not easy to maintain amidst the sluggish market conditions.

In 2021, the Company newly established hydrogen energy as the third largest business segment and established the company "GHT", marking the official start of CMIC's comprehensive transformation from traditional energy to new energy. GHT and Tan Kah Kee Innovation Laboratory at Xiamen University formally established a joint venture for hydrogen energy technology, focusing on the research and development and mass production of large-capacity, high-current-density hydrogen production equipment. GHT has also actively promoted and made progress with potential partners on projects such as core equipment for hydrogen refueling stations, including hydrogen compressors and high-pressure storage tanks and overall EPC solutions, an operating platform for hydrogen heavy trucks and the Hydrogen Energy Industry Technology Institute of Henan Province. In the meantime, CMIC was exploring cooperation opportunities with industry-leading companies in the Netherlands and other European countries in the sectors of hydrogen and other new energy technologies.

After more than a year of hard work, as at the end of 2021, the Company achieved a major market and order breakthrough in the core equipment for a new generation of large wind power installation platforms, and has implemented the contracts of 1,600 tonnes jack-up wind power installation platform project and secured a large order for core equipment totaling RMB263 million, including 1.600 tonnes heavy duty pile winding crane, 350 tonnes deck crane, jacking systems, pile leg rack cutting and ship-wide electrical control systems. As a typical case of offshore large wind power installation vessel project, this project is the beginning of the Company's expansion into the promising offshore wind power installation and operation and maintenance market, and has indeed driven the Company's transformation into new energy business and related results. In addition, the Company was actively participating in the European offshore floating wind power demonstration project and is expected to achieve a breakthrough in orders for floating wind turbine infrastructure-related equipment in 2022.

In the past year, CMIC and its major shareholder CMI have cooperated and collaborated on major projects in traditional business, offshore wind power and hydrogen energy, etc. to achieve complementary advantages in resources. In the PRC region, ZZOE established a pile leg processing base at CMI's Haimen Shipyard and commenced production. In addition, the Company has taken a stake in Jiangsu Modern Shipbuilding Technology Co., Ltd., which will provide a boost for CMIC to further expand offshore wind power platforms and new energy vessels in the future. The Company has signed a strategic cooperation agreement with CM Taiping Bay on hydrogen energy industry, pursuant to which both parties planned to jointly develop, cultivate and expand new energy industry and hydrogen energy industry in the Taiping Bay Cooperation Innovation Zone in Dalian, Liaoning Province, and would bring in quality resources and enterprises in the areas of technology, research and development, integrated manufacturing and application promotion for the hydrogen energy industry. At the same time, the hydrogen project team of CMIC has been actively approaching enterprises such as China Merchants Port, China Merchants Commerce Leasing and CM Steam Navigation to pave the way for joint development of hydrogen energy application scenarios.

CEO'S STATEMENT 首席執行官報告

In respect of offshore management business, the two units of rigs operated for Abu Dhabi National Oil Company continued with high operational efficiency. Contracts for the two units of rigs operated for PEMEX were also successfully renewed by the customers and the delivery of spare parts for the rigs was in the end. In response to the strong demand for operation and maintenance from the Mexican market, the Company has set up a new operation and maintenance service center in Mexico, with orders keeping pouring in. After thorough preparations, the Company is pressing ahead with the PEMEX land drilling rig upgrade project, which is expected to commence tenders in April 2022 with a potential order amount of approximately US\$100 million.

In new energy sector, as estimated by the Hydrogen Council, the size of global hydrogen energy market is expected to grow continuously and gradually reach US\$2.5 trillion from now to 2050. Since February 2021, cumulative global investment in hydrogen energy has jumped from US\$300 billion to US\$500 billion (equivalent to approximately RMB3.2 trillion). The hydrogen energy industry is facing a rare opportunity for development, and the Chinese hydrogen energy industry is about to enter a window period of rapid development.

The Company had many achievements in 2021, and realized closer cooperation with its shareholders. The Company opened up of new opportunities in the wind power sector, and a positive momentum in the expansion of hydrogen energy sector. Looking forward, the Company will insist on a two-wheel drive to expand its business advantages in the traditional energy sector, while grasping the opportunities in green energy development and focusing on the deep-water wind power and hydrogen energy sectors. On the one hand, the Company will focus on hotspot market opportunities, increase investment in hotspot markets, and adhere to the original business model for innovation and development. On the other hand, the Company is exploring opportunities in the deep-water wind power market, accelerating the transformation of hydrogen energy technological results, and strengthening the expansion of application scenarios in the downstream of the hydrogen energy industry chain, so as to achieve an overall layout in the upstream and downstream of the industry chain.

Lastly, I would like to express my sincere gratitude to our shareholders and friends from all walks of life for your unremitting and long-standing support, as well as to our directors, management team and staff for your dedication, trust and commitment on us, and you are assured to witness our robust growth and development.

Jiang Bing Hua

Jiang Bing Hua
Executive Director & CEO

Hong Kong, 25 March 2022

CEO'S STATEMENT

首席執行官報告

進入2021年以來，新冠疫情仍然肆虐全球，但隨著新冠疫苗接種率持續提高，全球主要經濟體重新開放並部署增長刺激計劃，全球範圍內出現了經濟緩慢復甦、通脹加快、失業率增速下降的局面。2021年下半年，由於德爾塔、奧密克戎等變異毒株的出現和其極強的傳染性，使得全球經濟復甦進程受阻。面對艱難的社會和經濟形勢，2021年公司在油氣海工復甦艱難的環境下，降本增效，保持傳統業務的穩定發展；同時公司還積極佈局了海上風電、氫能等新能源領域，並取得一定的成績。2021年全年集團累計營業收入約57.0百萬美元，實現淨利潤約9.3百萬美元，連續三年實現盈利，尤其在市場環境低迷的情況下依然能保持盈利勢頭實屬不易。

2021年，本公司新增氫能作為第三大業務板塊，並成立了「華商氫能」公司，標誌著華商國際由傳統能源向新能源的全面轉型正式拉開序幕。華商氫能與廈門大學嘉庚創新實驗室正式成立氫能技術合資公司，重點聚焦大標方、高電流密度的製氫裝備的研發與批量生產。華商氫能還在加氫站核心裝備(包括氫氣壓縮機、高壓儲罐)和整體EPC解決方案，氫能重卡運營平台，河南省氫能產業研究院等項目上與潛在合作者積極推進並取得了一定進展。與此同時，華商國際還在探索與荷蘭等歐洲國家的行業領先公司在氫能和其他新能源技術領域的合作機會。

經過一年多的努力，2021年底公司在新一代大型風電安裝平台核心裝備領域實現重大市場和訂單突破，落實了1,600噸自升式風電安裝平台項目合同，並獲得了總金額2.63億元人民幣的核心裝備大包訂單 - 包含1,600噸重型繞樁吊、350噸甲板吊、升降系統、樁腿齒條切割和全船電控系統。作為海上大型風電安裝船項目的典型案例，該項目是本公司佈局前景廣闊的海上風電安裝和運維市場的開端，確實推動了公司向新能源業務的轉型和相關業績。此外，公司正在積極參與歐洲海上浮式風電示範項目，並有望在2022年迎來浮式風機基礎相關設備訂單的突破。

過去一年中，華商國際與大股東招商工業在傳統業務、海上風電、氫能等各方面進行合作和重大項目的聯動，實現優勢資源互補。中國區鄭州天時在招商工業海門船廠建立了樁腿加工基地並已投產。另外公司入股江蘇現代造船技術有限公司，為華商未來進一步開拓海上風電平台和新能源船舶提供助力。公司與招商局太平灣簽署了氫能產業戰略合作協議，雙方計劃在遼寧省大連市太平灣合作創新區聯合發展、培育和壯大新能源產業和氫能產業，並引進氫能產業技術、研發、集成製造、應用推廣等優質資源與企業。同時，華商國際氫能項目團隊還積極與招商港口、招商租賃、招商輪船等單位對接，為下一步共同打造氫能應用場景進行鋪墊。

CEO'S STATEMENT 首席執行官報告

海工資管業務方面，2座為阿布扎比國家石油公司工作的平台繼續保持超高的運營效率；2座為PEMEX工作的平台也成功獲得了客戶續約，平台備件交付工作也已進入尾聲。面對墨西哥運維旺盛的需求，公司新設立了墨西哥運維服務中心，訂單紛至沓來。經過充分籌備，公司正在全力推進PEMEX陸地鑽機升級改造項目，預計在2022年4月開標，相關潛在訂單金額約上億美元。

新能源領域，根據國際氫能委員會的預測，從目前到2050年全球氫能市場規模將持續增長並逐步達到2.5萬億美元，自2021年2月以來，全球氫能累計投資從3,000億美元躍升到5,000億美元（約合3.2萬億元人民幣），氫能源行業面臨著十分難得的發展機遇，中國氫能源行業即將步入快速發展的窗口期。

在2021年公司獲得了諸多成績，實現了和股東更緊密的合作。在風電領域開闢了新的發展空間，氫能領域的佈局也勢頭正好。展望未來，公司將堅持雙輪驅動，擴大傳統能源領域的業務優勢，同時緊抓綠色能源發展機遇，聚焦深水風電和氫能行業。一方面，緊盯熱點市場機遇，加大熱點區域市場的投入，堅持原有業務模式創新發展。另一方面，深入挖掘深水風電市場機遇，同時加快落實氫能技術成果落地轉化，加強氫能產業鏈下游在應用場景方面的拓展，實現產業鏈上下游整體佈局。

最後，衷心感謝廣大股東和社會各界朋友對華商國際長期以來的支持，感謝華商國際各位董事、管理層團隊及全體員工的付出，你們的努力、信任與堅守將見證華商國際的成長與發展。

蔣秉華

蔣秉華

執行董事兼首席執行官

謹啟

香港，二零二二年三月二十五日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

CMIC IS AN INDUSTRIAL CHAIN VALUE INTEGRATION OPERATOR IN MARINE ENERGY TECHNOLOGY SECTOR

OVERVIEW

In 2021, COVID-19 continued to ravage the world, even with the emergence of mutant strains such as Delta and Omicron to exacerbate travel restrictions and instability in social life in the second half of the year. However, with major economies around the world reopening and launching growth stimulus packages, there was a slow economic recovery, an accelerated inflation, and a decline in the growth rate of unemployment globally. The global crude oil market, with “de-stocking” as the main logic, pushed the mean price of international oil significantly upwards.

In the face of the inconvenience and restrictions caused by force majeure such as the severe pandemic and floods, the Company took precautions proactively and responded quickly. In terms of traditional energy business, all units held onto the business objectives of the Company, actively seized market opportunities, executed orders and maintained stable development. In addition, the Company officially established new energy as the third largest business segment this year, laying out offshore deep-water wind power and hydrogen energy, with certain results achieved.

In terms of traditional energy business, the Company acquired Jiangsu Modern Shipbuilding Technology Co., Ltd. (江蘇現代造船技術有限公司) and became its second largest shareholder, focusing on the digitisation and intellectualisation of shipyards and the shipbuilding industry, and continued to build a whole chain of technical services for “design + manufacturing”. On the offshore core equipment manufacturing, the Company took high-end equipment manufacturing as the entry point, and applied the traditional advantages of cranes, lifting piles and electrical control system in the offshore engineering industry to the next generation of large offshore wind power installation vessels, which achieved a major market breakthrough. The Company also created a new benchmark business model, and established a new industrial ecology of offshore wind power installation vessel investment.

華商國際是海洋能源科技之產業鏈價值整合運營商

概覽

2021年，新冠疫情仍然肆虐全球，下半年，德爾塔(Delta)、奧密克戎(Omicron)等變異毒株出現加劇旅行限制和社會生活的不穩定性，但隨著全球主要經濟體重新開放並部署增長刺激計劃，全球範圍內出現了經濟緩慢復甦、通脹加快、失業率增速下降的局面。全球原油市場以「去庫存」作為主邏輯，推升國際油價中樞大幅上移。

面對嚴峻的疫情、水災等不可抗力帶來的不便和限制，公司積極防範、迅速反應。傳統能源業務方面各單位緊抓經營目標不放鬆，積極抓住市場機遇，實現訂單落地，保持穩定發展。另外今年公司正式設立新能源作為第三大業務板塊，佈局海上深水風電、氫能並取得一定的成績。

傳統能源業務方面，公司收購江蘇現代造船技術有限公司成為其第二大股東，重點圍繞船廠及船舶工業數字化、智能化，繼續打造「設計+製造」的全鏈條技術服務。海工核心裝備製造上，公司以高端裝備製造為切入點，將海工領域的吊機、升降樁、電控系統的傳統優勢應用到下一代大規模海上風電安裝船上，實現重大市場突破，並開創了全新的標桿性的商業模式，建立了海上風電安裝船投資的產業新生態。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

In terms of hydrogen energy business, the Company set up China Merchant Green Hydrogen Technology Co., Ltd. (華商氫能技術(青島)有限公司), marking the official start of CMIC's comprehensive transformation from traditional energy to new energy. GHT and Tan Kah Kee Innovation Laboratory at Xiamen University formally established a joint venture for hydrogen energy technology, focusing on the research and development and mass production of large-capacity, high-current-density hydrogen production equipment. GHT has also actively promoted and made progress with potential partners on projects such as core equipment for hydrogen refueling stations, including hydrogen compressors and high-pressure storage tanks and overall EPC solutions, an operating platform for hydrogen heavy trucks, the Hydrogen Energy Industry Institute of Henan Province, and technical cooperation with industry-leading companies in the Netherlands and other European countries.

In 2021, despite the slow recovery of the market environment, the Company's operating results still maintained a profitable trend with a number of important order contracts achieving breakthroughs or expecting to continue to grow. The four units of rigs operated for PEMEX, the national oil company of Mexico, and Abu Dhabi National Oil Company have been well received by the customers. Contracts for the two units of rigs operated for PEMEX were successfully renewed by the customers and the delivery of spare parts for the rigs drew to a close. In response to the strong demand from the Mexican market, the international region team set up a new operation and maintenance service center and put it into operation, with orders keeping pouring in. After more than a year of hard work, the Company has implemented a new generation of 1,600 tonnes jack-up wind power installation platform project and secured a large order for core equipment totalling RMB263 million.

Synergies between the Company and its strategic shareholders are beginning to emerge. In the past year, CMIC and its major shareholder CM Industry Group ("CMI") have cooperated and collaborated on major projects in traditional business, offshore wind power and hydrogen energy, etc. The cooperation on the new generation of 1,600 tonnes offshore wind power installation vessel project has achieved the integration of quality resources within China Merchants Group Limited ("CM Group"). The Company signed a strategic cooperation agreement with CM Taiping Bay on hydrogen energy industry, planning to jointly develop, cultivate and expand new energy industry and hydrogen energy industry in the Taiping Bay Cooperation Innovation Zone in Dalian, Liaoning Province.

氫能業務方面，公司成立華商氫能技術(青島)有限公司，標誌著華商國際由傳統能源向新能源的全面轉型正式拉開序幕。華商氫能與廈門大學嘉庚創新實驗室正式成立氫能技術合資公司，重點聚焦大標方、高電流密度的製氫裝備的研發與批量生產。華商氫能還在加氫站核心裝備(包括氫氣壓縮機、高壓儲罐)和整體EPC解決方案，氫能重卡運營平台，河南省氫能產業研究院，荷蘭等歐洲國家的行業領先公司技術合作等項目上與潛在合作者積極推進並取得了一定進展。

2021年，儘管市場環境復甦緩慢，但是公司經營成果依然能保持盈利態勢，多個重要訂單合同實現突破或有望持續發展。墨西哥國際石油公司(PEMEX)以及阿布扎比國際石油公司服務作業的4個平台，均受到客戶的高度贊譽。2座為PEMEX工作的平台成功獲得了客戶續約，平台備件交付工作也已進入尾聲。國際區針對墨西哥市場旺盛的需求，新運維服務中心設立並投入使用，訂單不斷。經過一年多的努力，公司落實了新一代1,600噸自升式風電安裝平台項目，並獲得了總金額2.63億元人民幣的核心裝備大包訂單。

公司與戰略股東協同效應開始凸顯。過去一年中，華商國際與大股東招商工業集團(「招商工業」)在傳統業務、海上風電、氫能等各方面進行合作和重大項目的聯動。1,600噸新一代海上風電安裝船項目上的合作，實現了招商局集團有限公司(「招商局集團」)內部優質資源整合。公司與招商局太平洋簽署氫能產業戰略合作協議，計劃在遼寧省大連市太平灣合作創新區聯合發展、培育和壯大新能源產業和氫能產業。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

In 2021, the Company's business structure was restructured and its positioning in the new era was clarified – a technology-based international company involved in both oil and gas energy and green energy industries. In parallel with its business transformation, the Company has actively restructured its management team and personnel structure to achieve a rejuvenated management team and a specialised technical team. The Company is solidly building up a younger management team that matches the age structure and ability structure to adapt to development needs under the new market environment and new businesses.

In 2021, under the leadership of the Company's core management team, the annual sales revenue and the profit attributable to equity shareholders of the Company amounted to approximately US\$57.0 million and US\$9.2 million, representing a year-on-year decrease of 13.4% and 15.5%, respectively.

2021年，公司業務結構調整，明確了公司新時期的發展定位 – 同時涉足油氣能源和綠色能源產業的技術型國際化公司。公司業務轉型的同時，積極進行管理團隊和人員結構的調整，實現管理團隊年輕化和技術團隊專家化。穩健打造年齡結構、能力結構相匹配的年輕管理團隊，適應新市場環境和新業務下的發展需求。

2021年，在公司核心管理團隊的帶領下，公司全年銷售收入及股權股東應佔之溢利約為57.0百萬美元及9.2百萬美元，同比分別減少13.4%及15.5%。

FINANCIAL REVIEW

財務回顧

		2021 二零二一年	2020 二零二零年 (Restated) (經重列)		Change 變動
		US\$'000 千美元	US\$'000 千美元	US\$'000 千美元	% %
Revenue	收入	57,027	65,882	(8,855)	(13.4)
Gross profit	毛利	20,664	11,617	9,047	77.9
Gross profit margin	毛利率	36.2%	17.6%		
Profit from operations	經營溢利	14,604	9,307	5,297	56.9
Net profit attributable to equity shareholders	股權股東應佔之淨溢利	9,220	10,916	(1,696)	(15.5)
Profit for the year	年內溢利	9,344	10,830	(1,486)	(13.7)
Net profit margin	淨溢利率	16.4%	16.4%		
Earnings per share (Basic and diluted)	每股盈利(基本及攤薄)	US0.29 cent 0.29美仙	US0.36 cent 0.36美仙	US(0.07) cent (0.07)美仙	(19.4)

Revenue

The Group's revenue decreased from US\$65.9 million (restated) in 2020 to US\$57.0 million in 2021. The decrease of revenue was mainly due to the failure to complete the delivery within the year in accordance with original schedule as a result of the impact from COVID-19 pandemic and disruption in supply chain on certain orders; the completed and delivered orders in 2021 was fewer than the previous year as certain orders for product were affected by production cycle.

收入

本集團收入從二零二零年的65.9百萬美元(經重列)減少至二零二一年的57.0百萬美元。收入減少主要由於部分訂單受新型冠狀病毒疫情及供應鏈受阻的影響，未能按原定計劃年內完成交付；部份產品訂單受生產週期的影響，2021年完工並交付訂單量低於上年。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Segment Information by Business Segments

按業務分部劃分之分部資料

		2021 二零二一年		2020 二零二零年 (Restated) (經重列)		Increase/(decrease) 增加/(減少)	
		US\$'000 千美元	%	US\$'000 千美元	%	US\$'000 千美元	%
Capital equipment and packages	資本設備及總包	27,622	48.4	41,830	63.5	(14,208)	(34.0)
Oilfield expendables and supplies	油田耗材及物料	21,034	36.9	17,413	26.4	3,621	20.8
Management and engineering services	管理及工程服務	8,371	14.7	6,639	10.1	1,732	26.1
Total revenue	收入合計	57,027	100.0	65,882	100.0	(8,855)	(13.4)

Capital Equipment and Packages

Revenue recognised in capital equipment and packages projects decreased by 34.0% from US\$41.8 million (restated) in 2020 to US\$27.6 million in 2021 due to fewer completed and delivered orders in 2021 than the previous year as a result of the impact of the COVID-19 pandemic on the delivery time as well as the impact of production cycle on certain orders for product.

Oilfield Expendables and Supplies

The increase of 20.8% from US\$17.4 million in 2020 to US\$21.0 million in 2021 for oilfield expendables and supplies was due to continuous rise in oil prices and a year-on-year increase in orders of oilfield expendables and supplies in Mainland China and Mexico markets.

Management and Engineering Services

Management and engineering services revenue increased from US\$6.6 million in 2020 to US\$8.4 million in 2021 mainly due to the upgrade for offshore rigs and the increase in ancillary services in Mexico market.

資本設備及總包

於二零二一年，本集團基於資本設備及總包項目實現進度所確認的收入由二零二零年的41.8百萬美元（經重列）減少至27.6百萬美元，減幅34.0%，由於受新型冠狀病毒影響交付時點，以及部分產品訂單受生產週期的影響，2021年完工並交付訂單量低於上年。

油田耗材及物料

油田耗材及物料收入從二零二零年的17.4百萬美元增加至二零二一年的21.0百萬美元，增加20.8%，主要由於油價持續上升，中國內地及墨西哥市場油田耗材和物料訂單同比增加。

管理及工程服務

管理及工程服務收入由二零二零年的6.6百萬美元增加至二零二一年的8.4百萬美元，主要為墨西哥市場陸地鑽機升級改造及配套服務增長所導致。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Segment Information by Geographical Regions

按地區劃分之分部資料

		2021 二零二一年		2020 二零二零年 (Restated) (經重列)		Increase/(decrease) 增加/(減少)	
		US\$'000 千美元	%	US\$'000 千美元	%	US\$'000 千美元	%
Hong Kong Special Administrative Region	香港特別行政區	26	-	21	-	5	23.8
Mainland China	中國內地	31,049	54.4	34,334	52.1	(3,285)	(9.6)
North America	北美	3,422	6.0	5,240	7.9	(1,818)	(34.7)
South America	南美	18,287	32.1	19,036	28.9	(749)	(3.9)
Europe	歐洲	178	0.3	842	1.3	(664)	(78.9)
Singapore	新加坡	736	1.3	2,609	4.0	(1,873)	(71.8)
Indonesia	印度尼西亞	47	0.1	629	1.0	(582)	(92.5)
Middle East	中東	1,469	2.6	1,206	1.8	263	21.8
Others	其他	1,813	3.2	1,965	3.0	(152)	(7.7)
Total revenue	收入合計	57,027	100.0	65,882	100.0	(8,855)	(13.4)

Gross Profit and Gross Profit Margin

The gross profit of US\$20.7 million for the year of 2021 increased by 77.9% from US\$11.6 million (restated) in the previous year. Gross profit margin increased from 17.6% (restated) in 2020 to 36.2% in 2021. The increase was mainly due to higher income arising from provision of management and engineering services and rental income arising from leases of capital equipment with higher margin and decrease in provision for inventories made by the Company as compared with last year.

Other Revenue and Net Income

Other revenue and net income decreased from US\$5.9 million (restated) in 2020 to US\$4.7 million in 2021. This amount includes rental income, finance income from lease receivables and various government grants.

Selling and Distribution Expenses

Selling and distribution expenses decreased by US\$0.9 million from US\$4.8 million in 2020 to US\$3.9 million in 2021. Selling and distribution expenses mainly comprised sales staff salaries, commissions, marketing expenses including travel costs and other sales and promotional expenditure. The decrease of selling and distribution expenses was mainly due to persistent cost control.

毛利及毛利率

二零二一年毛利為20.7百萬美元，較去年11.6百萬美元(經重列)增加77.9%。毛利率從二零二零年的17.6%(經重列)增加至二零二一年的36.2%。有關增加主要由於提供管理及工程服務產生更高的收入及溢利率更高的資本設備租賃產生更高租金收入以及本公司較上年減少對庫存的撥備。

其他收益及淨收入

其他收益及淨收入從二零二零年的5.9百萬美元(經重列)減少至二零二一年的4.7百萬美元。該收入包括租金收入、租賃應收款財務收入及各地政府補貼。

銷售及分銷開支

銷售及分銷開支由二零二零年的4.8百萬美元減少0.9百萬美元至二零二一年的3.9百萬美元。銷售及分銷開支主要包括銷售工作人員薪酬、佣金、市場推廣開支(包括差旅費用及其他銷售及推廣開支)。銷售及分銷開支減少，主要由於持續的成本控制所致。

General and Administrative Expenses

General and administrative expenses decreased from US\$21.7 million in 2020 to US\$19.8 million in 2021. The decrease was mainly due to staff streamlining and decrease in business activities.

Other Operating Expenses

The decrease in other operating expenses from US\$3.8 million (restated) in 2020 to US\$1.9 million in 2021 due to the absence of provision for impairment of property, plant and equipment amounting to US\$1,723,000 made in 2020.

Finance Costs

Finance costs, being interest on bank loans and interest on lease liabilities, decreased from US\$0.7 million in 2020 to US\$0.5 million in 2021.

Share of Profit of Joint Venture

Share of profit of joint venture increased by US\$0.2 million from US\$1.2 million in 2020 to US\$1.4 million in 2021.

Group's Liquidity and Capital Resources

As at 31 December 2021, the Group carried tangible assets of approximately US\$26.0 million (2020: US\$45.8 million) being property, plant and equipment, investment properties and non-current assets classified as held for sale.

As at 31 December 2021, the Group's intangible assets was approximately US\$0.2 million (2020: US\$0.2 million). As at 31 December 2021, the Group's interest in associates was approximately US\$1.2 million (2020: US\$0.3 million), interest in joint venture was approximately US\$43.1 million (2020: US\$40.7 million) and deferred tax assets was approximately US\$1.0 million (2020: US\$2.5 million).

As at 31 December 2021, the Group's current assets amounted to approximately US\$153.2 million (2020: US\$157.3 million). Current assets mainly comprised inventories of approximately US\$33.4 million (2020: US\$23.0 million), trade and other receivables of approximately US\$64.7 million (2020: US\$57.6 million), contract assets of approximately US\$Nil (2020: US\$0.3 million) and lease receivables (current) of approximately US\$19.6 million (2020: US\$25.6 million).

As at 31 December 2021, amount due from a related company amounted to US\$Nil (2020: US\$0.1 million), pledged bank deposits and time deposits amounted to approximately US\$1.9 million (2020: US\$4.2 million) and cash and cash equivalents amounted to approximately US\$33.5 million (2020: US\$22.4 million).

一般及行政開支

一般及行政開支由二零二零年的21.7百萬美元減少至二零二一年的19.8百萬美元。主要為精簡人員及業務活動減少所致。

其他經營開支

其他經營開支由二零二零年的3.8百萬美元(經重列)減少至二零二一年的1.9百萬美元，乃由於沒有像二零二零年就物業、廠房及設備計提的減值撥備1,723,000美元。

財務成本

財務成本(即銀行貸款之利息及租賃負債之利息)由二零二零年的0.7百萬美元減少至二零二一年的0.5百萬美元。

分佔合營公司之溢利

分佔合營公司之溢利由二零二零年的1.2百萬美元增加0.2百萬美元至二零二一年的1.4百萬美元。

本集團之流動資金及資本資源

於二零二一年十二月三十一日，本集團的有形資產賬面值約為26.0百萬美元(二零二零年：45.8百萬美元)，包括物業、廠房及設備、投資物業及分類為持作出售之非流動資產。

於二零二一年十二月三十一日，本集團的無形資產約為0.2百萬美元(二零二零年：0.2百萬美元)。於二零二一年十二月三十一日，本集團於聯營公司的權益約為1.2百萬美元(二零二零年：0.3百萬美元)。本集團於合營公司的權益約為43.1百萬美元(二零二零年：40.7百萬美元)。遞延稅項資產約為1.0百萬美元(二零二零年：2.5百萬美元)。

於二零二一年十二月三十一日，本集團的流動資產約為153.2百萬美元(二零二零年：157.3百萬美元)。流動資產主要包括存貨約33.4百萬美元(二零二零年：23.0百萬美元)、貿易應收及其他應收款項約64.7百萬美元(二零二零年：57.6百萬美元)。合約資產約零美元(二零二零年：0.3百萬美元)、流動租賃應收款約19.6百萬美元(二零二零年：25.6百萬美元)。

於二零二一年十二月三十一日，應收關聯公司的應收款項約為零美元(二零二零年：0.1百萬美元)、已抵押之銀行存款及定期存款約為1.9百萬美元(二零二零年：4.2百萬美元)及現金及現金等值物約為33.5百萬美元(二零二零年：22.4百萬美元)。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

As at 31 December 2021, current liabilities amounted to approximately US\$79.2 million (2020: US\$93.4 million), mainly comprised trade and other payables of approximately US\$42.3 million (2020: US\$58.0 million), and tax payable of approximately US\$3.3 million (2020: US\$3.4 million). Contract liabilities amounted to US\$15.0 million (2020: US\$8.7 million) and current lease liabilities amounted to approximately US\$18.5 million (2020: US\$23.4 million).

As at 31 December 2021, the Group had non-current liabilities of approximately US\$2.2 million (2020: US\$1.2 million), representing non-current portion of lease liabilities. The Group monitors capital with reference to its debt position. The Group's strategy is to maintain the gearing ratio, being the Group's total liabilities to total assets, under 100%. The gearing ratio as at 31 December 2021 was 35.4% (2020: 41.2%).

Significant Investment and Disposals

On 29 October 2020, amongst others, Qingdao TSC Oil & Gas Technology Services Co., Ltd. (an indirect wholly-owned subsidiary of the Company) as vendor, and Qingdao Anshun Jiahe Assets Operations Co., Ltd. as purchaser, entered into a land disposal agreement for the land parcel situated at No.10, Hedong Road, Liuting Street, Chengyang District, Qingdao for the aggregate consideration of RMB157.2 million; and Qingdao TSC Jindi Technology Assets Co., Ltd. (an indirect wholly-owned subsidiary of the Company) as vendor, and Qingdao Chuang'an Assets Operations Co., Ltd. as purchaser, entered into a land disposal agreement for the land parcel situated at No.10-1, Hedong Road, Liuting Street, Chengyang District, Qingdao for the aggregate consideration of RMB87.8 million. At the extraordinary general meeting of the Company held on 15 December 2020, the land disposal agreements and the land disposals were approved by the shareholders. Details of the transactions are contained in the circular of the Company dated 24 November 2020. The above disposal transactions were completed in February 2021 and contributed a gain of US\$11,407,000 to the Group.

Save as disclosed above, the Group did not have any other significant investment, material acquisition and disposal during the year.

Future Plans For Material Investments or Capital Assets

Except as disclosed in this report, the Group did not have any future plans for material investments or capital assets as at 31 December 2021.

於二零二一年十二月三十一日，流動負債約為79.2百萬美元(二零二零年：93.4百萬美元)，主要包括貿易應付及其他應付款項約42.3百萬美元(二零二零年：58.0百萬美元)及應付稅項約3.3百萬美元(二零二零年：3.4百萬美元)。合約負債為15.0百萬美元(二零二零年：8.7百萬美元)，流動租賃負債約18.5百萬美元(二零二零年：23.4百萬美元)。

於二零二一年十二月三十一日，本集團的非流動負債約為2.2百萬美元(二零二零年：1.2百萬美元)，為租賃負債的非流動部分。本集團會按照債務狀況監控資本狀況。本集團的策略是維持資產負債比率(即本集團總負債除以總資產之比率)低於100%。於二零二一年十二月三十一日，資產負債比率為35.4%(二零二零年：41.2%)。

重大投資及出售

於二零二零年十月二十九日(其中包括)青島天時油氣科技服務有限公司(本公司的間接全資附屬公司)(作為賣方)與青島安順嘉合產業運營有限公司(作為買方)就位於青島市城陽區流亭街道河東路10號的地塊訂立土地出售協議，總代價為人民幣157,200,000元；及青島天時錦地科技產業有限公司(本公司的間接全資附屬公司)(作為賣方)與青島創安產業運營有限公司(作為買方)就位於青島市城陽區流亭街道河東路10-1號的地塊訂立土地出售協議，總代價為人民幣87,800,000元。於二零二零年十二月十五日舉行的本公司股東特別大會，土地出售協議及土地出售事項已獲股東批准。交易詳情載於本公司日期為二零二零年十一月二十四日的通函內；上述出售交易事項於二零二一年二月完成，並為本集團貢獻約11,407,000美元收益。

除上文所披露者外，本集團於年內並無任何其他重大投資、重大收購及出售。

重大投資或資本資產之未來計劃

除本報告所披露者外，於二零二一年十二月三十一日，本集團並無有關重大投資或資本資產之任何未來計劃。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Capital Structure

At 31 December 2021, there were 3,243,433,914 shares issued and the Company carried a share capital of approximately US\$41,418,000.

Foreign Currency Exchange Exposures

The Group is exposed to currency risk primarily through sales and purchases that are denominated in a currency other than the functional currency of the operations to which they relate. The Group has foreign exchange exposure resulting from most of the Group's subsidiaries in the PRC carrying out production locally using Renminbi while approximately 50% of the Group's revenue was denominated in United States dollars. As at 31 December 2021 and 31 December 2020, no related hedges were made by the Group.

In order to mitigate foreign exchange exposure, the Company may utilise foreign currency forward contracts to better match the currency of our revenues and associated costs in the future. However, we do not use foreign currency forward contracts for trading or speculative purposes. The Group will actively explore ways to hedge or reduce currency exchange risk in future.

Employees and Remuneration Policy

As at 31 December 2021, the Group had a total of 390 full-time staff in the United States, the United Kingdom, Brazil, Mexico, Singapore, Hong Kong and Mainland China. The Group's remuneration policy is determined by the salary levels in different regions, employee rank and performance and the market conditions. The Group also provides other benefits to its employees, including medical schemes, pension contributions scheme, share award incentive scheme etc.

資本結構

於二零二一年十二月三十一日，共有3,243,433,914股已發行股份，而本公司股本約為41,418,000美元。

外幣匯兌風險

本集團所面對的貨幣風險主要來自以相關業務功能貨幣以外的貨幣計值的買賣。本集團大多數中國附屬公司均以人民幣進行生產活動，而本集團約50%的收益以美元計值，因而令本集團面對外匯風險。於二零二一年十二月三十一日及二零二零年十二月三十一日，本集團並無作出相關對沖。

為減低外匯風險，本公司可能會使用外幣遠期合約，使本公司收益與相關成本的貨幣日後能有較佳配對。然而，本公司不會使用外幣遠期合約作買賣或投機目的。本集團日後將積極尋求對沖或減低貨幣匯兌風險的方法。

僱員及酬金政策

於二零二一年十二月三十一日，本集團於美國、英國、巴西、墨西哥、新加坡、香港及中國內地共計有390名全職員工。本集團的酬金政策是根據不同地區薪金水準、員工職級和業績表現以及市場狀況釐定。本集團亦向僱員提供其他福利，包括醫療計劃、退休供款計劃及股份獎勵激勵計劃等。

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USE OF PROCEEDS AND SUPPLEMENTARY INFORMATION ON THE ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The Company had received net proceeds of approximately HK\$657.3 million raised from Rights Issue. As at 31 December 2021, the use of the net proceeds from the Rights Issue is set out as follows:

截至二零二一年十二月三十一日止年度之年度報告的所得款項用途及補充資料

本公司已收到供股籌集之所得款項淨額約657.3百萬港元。於二零二一年十二月三十一日，供股所得款項淨額的用途如下：

	Proposed use of net proceeds	Unutilised net proceeds as at 1 January 2021	Actual use of proceeds during the year ended 31 December 2021	Actual use of net proceeds up to 31 December 2021	Unutilised net proceeds as at 31 December 2021
	(HK\$ million)	(HK\$ million)	(HK\$ million)	(HK\$ million)	(HK\$ million)
	(百萬港元)	(百萬港元)	(百萬港元)	(百萬港元)	(百萬港元)
Subscription of shares of joint venture or other investments	460.1	37.8	37.8	460.1	-
Repayment of debts of the Group	131.5	-	-	131.5	-
General working capital of the Group	65.7	-	-	65.7	-
Total	657.3	37.8	37.8	657.3	-

Note:

In addition to the information contained in the annual report of the Company for the year ended 31 December 2020, the Directors would like to provide the following supplementary information to the shareholders and potential investors of the Company. As at 1 January 2021, net proceeds of approximately HK\$37.8 million remained unutilised, all of which were allocated to subscription of shares of joint venture or other investments. Such net proceeds were expected to be fully utilised by 31 December 2021.

As at 31 December 2021, all the net proceeds from the Rights Issue have been fully utilised.

附註：

除本公司截至二零二零年十二月三十一日止年度之年度報告所載資料外，董事謹此向本公司股東及潛在投資者提供以下補充資料。於二零二一年一月一日，所得款項淨額約37.8百萬港元尚未動用，全部分配至認購合營公司股份或其他投資。該所得款項淨額預計於二零二一年十二月三十一日前悉數動用。

於二零二一年十二月三十一日，所有供股所得款項淨額已悉數動用。

STRATEGY AND PROSPECTS

Market Review

In 2021, as the global epidemic has been gradually brought under control, social activities resumed at an accelerated pace and economic recovery led to a rapid expansion of global energy demand. However, in terms of oil supply, the reduction in production capacity due to the epidemic has not been able to be replenished quickly, resulting in the oil market as a whole being in the undersupply condition in 2021 and a sharp increase in the international oil prices, far exceeding the pre-epidemic levels. Recently, the price of U.S. crude oil (WTI) rose from USD48.52 to USD123.7 per barrel, representing an increase of 155%, and the price of Brent crude (Brent) rose from USD51.8 to USD127.98 per barrel, representing an increase of 147%.

Looking back on the past year, the sharp rise in the oil prices was mainly attributable to the following reasons: Firstly, the United States and other major economies initiated unlimited quantitative easing policies in response to the epidemic, which led to liquidity spillover in financial markets, pushing up the prices of oil and other bulk commodities and making the U.S. stock market reach greater highs. Secondly, the strong economic recovery in various countries under the loose monetary environment coupled with the rollout of mass vaccinations have led to a gradual recovery in social activities and a surge in energy demand thereupon. Thirdly, the impact of the epidemic and the pressure of energy transformation have resulted in a continued reduction in upstream exploration and development investments by oil and gas companies, limiting the rapid recovery of production capacity. Fourthly, due to the war between Russia and Ukraine and the influence of geopolitics, the international market was worried about the supply of crude oil, which has prompted the rapid rise of oil price. The surging demand and constrained production capacity growth have jointly contributed to oil inventory destocking and rising oil prices in 2021.

策略及前景

市場回顧

2021年，隨著全球疫情得到逐步控制，社會活動加速恢復，經濟復甦導致全球能源需求迅速擴張。但在石油供應方面，因疫情而削減的產能未能快速回補，因此導致2021年石油市場整體處於供不應求的狀態，國際石油價格大幅上漲，遠超疫情之前的水平。近期，美國原油期貨(WTI)價格從48.52上漲至123.7美元／桶，漲幅達到155%；布倫特原油期貨(Brent)價格從51.8上漲至127.98美元／桶，漲幅達到147%。

回顧過去這一年，石油價格的大幅上漲主要源於以下原因：首先，美國等主要經濟體為應對疫情開啓了無限量的量化寬鬆政策，金融市場流動性泛濫，推高了石油等大宗商品的價格，也使得美國股市屢創新高。其次，寬鬆貨幣環境下各國經濟強勁復甦，再加上疫苗接種大規模展開，社會活動逐步恢復，能源需求隨之激增。第三，疫情的衝擊以及能源轉型的壓力使得油氣公司上游勘探開發投資持續減少，限制了產能的快速恢復。第四，俄羅斯與烏克蘭戰爭及地緣政治影響，國際市場對原油供應憂心忡忡，促使油價快速上漲。上述需求劇增與產能增長受限，共同促成了2021年石油庫存去化、油價不斷上漲的局面。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

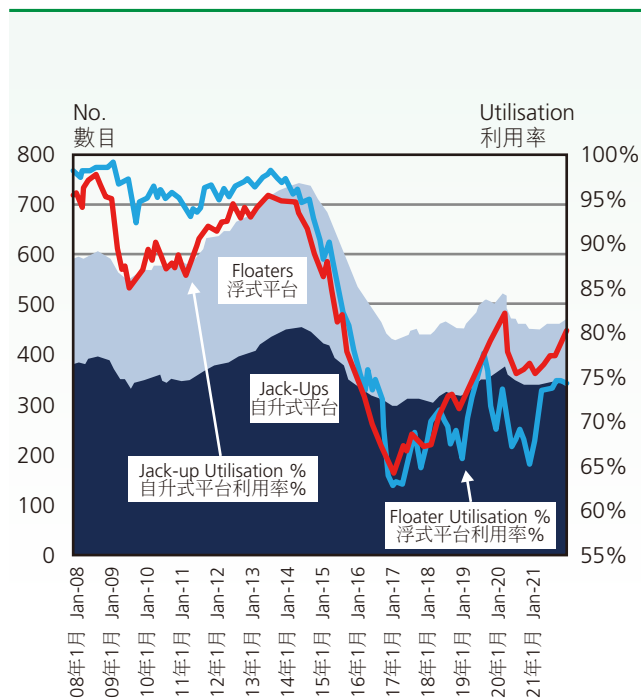
The offshore drilling market has ushered in a recovery in 2021 with the rapid rise in oil prices. While current demand for drilling rigs is still 7% lower than the pre-epidemic level and the recovery in demand is relatively modest, the shrinking drilling rig supply continues to support higher utilisation rates. In addition, the outlook for the drilling rig market appears to be cautiously optimistic as owners' confidence has been restored by the firming oil prices this year and the demand side of the drilling rigs is expected to see greater gains in 2022.

Clarkson's latest drilling market report shows that global demand for drilling rigs was 474 by the end of 2021, representing an increase of 5% compared to that of 2020, with utilisation rate reaching 79%, representing a modest year-on-year increase of 4%. Demand for drilling rigs last year was limited by weak activities from national oil companies in the Middle East, with the number of active jack-up drilling rigs growing by 4% globally; however, activities in the floating drilling rig market picked up significantly, representing a growth rate of 6%. And the rebalancing pace of the supply side remains firm, with the supply of active drilling rigs falling to 603 at the end of 2021, 9% lower than the figure in early 2020. In addition, Clarkson expects market demand for drilling rigs to grow by 10% in 2022, reaching 520 by the end of 2022, which would be 2% higher than the pre-epidemic levels.

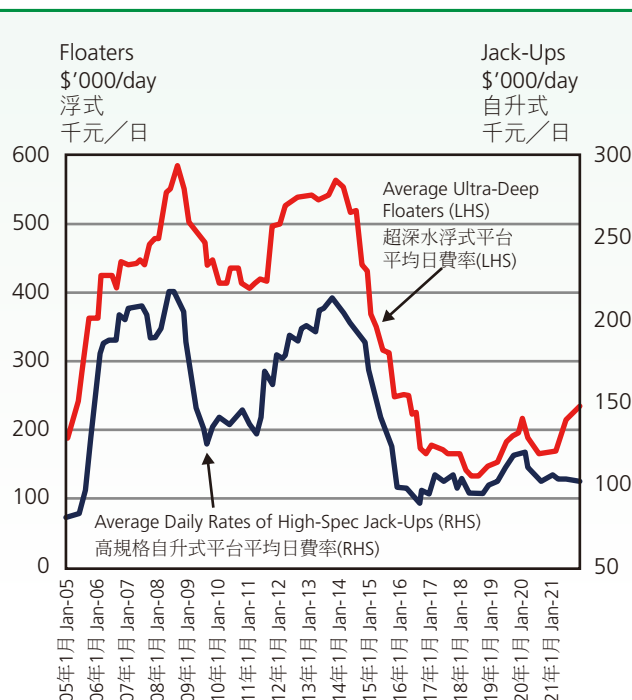
2021年，隨著油價的快速上漲，海上鑽井市場迎來復甦。雖然目前鑽井平台需求量仍然比疫情之前低7%，需求恢復相對溫和，但鑽井平台供應量的縮減繼續支持利用率走高。此外，今年油價的堅挺使業主信心有所恢復，而且預計2022年鑽井平台的需求方會有更大的收益，鑽井平台市場的前景似乎是謹慎樂觀的。

克拉克森(Clarkson)最新的鑽井市場報告顯示，截至2021年年底，全球鑽井平台的需求量為474座，與2020年相比增長了5%；利用率達到79%，同比溫和增長4%。去年鑽井平台需求受到中東地區國家石油公司活動疲軟的限制，全球活躍的自升式鑽井平台數量增長了4%；然而，浮式鑽井平台市場活動明顯回升，增長了6%。而供應方的再平衡步伐依然堅定，2021年底活躍鑽機的供應量下降至603座，比2020年初的數字要低9%。此外，克拉克森預計2022年市場對鑽井平台的需求將增長10%，在2022年底達到520座，這將比疫情之前的水平高出2%。

Global Rig Demand
全球平台需求



Average Daily Rates of Floater and Jack-Up
浮式及自升式平台日費率

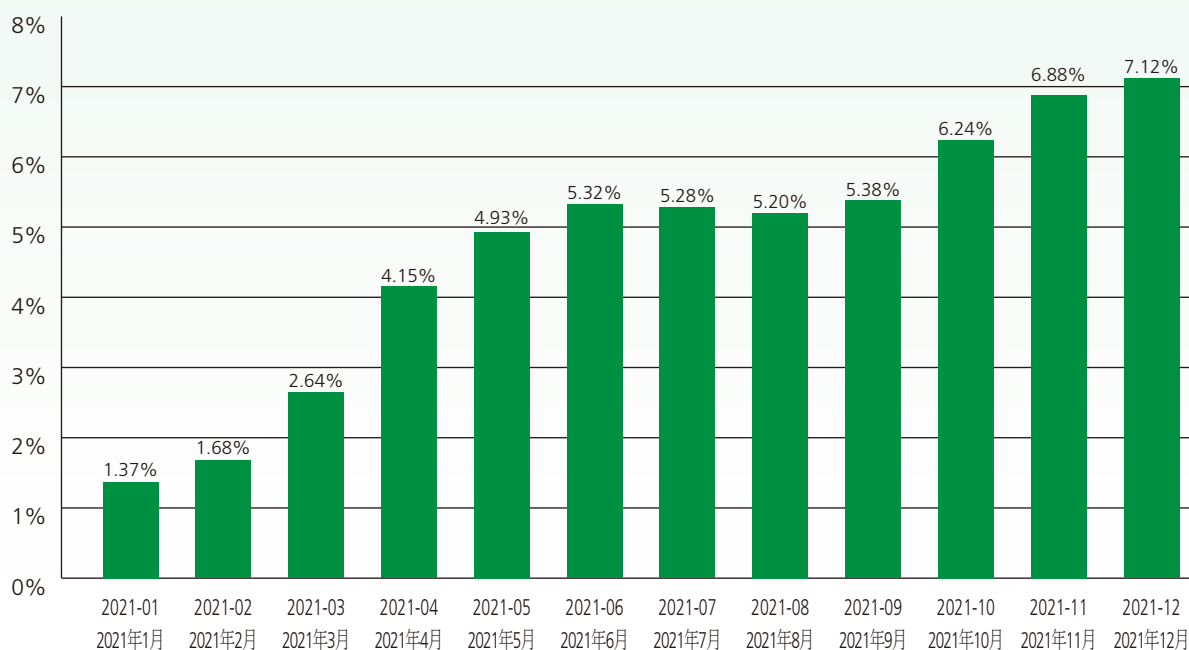


However, whether the viability of oil prices could be remained at the current high levels in the long run is still uncertain and is subject to a number of risks. As a fundamental material, the energy's price increase will inevitably be transferred to the industrial products and the consumer goods. The rapid rise in oil prices since 2021 has led to severe and sustained inflation in major economies around the world. As of December 2021, the U.S. consumer price index (CPI) has maintained a year-on-year growth rate of more than 5% for eight months, with a year-on-year increase of 7.12% in December, hitting a new height in 40 years. Although the Federal Reserve insisted at the beginning that "inflation is a temporary phenomenon", it had to change its attitude in the face of the rising prices, announcing that it would taper its bond purchases, and even indicating that interest rate hikes and contraction of balance sheets would be launched earlier. In response to the stubbornly high inflation, the Bank of England announced in November that it would raise interest rates by 5 basis points. In 2022, the major economies worldwide are expected to enter a tightening cycle. Once the liquidity in financial markets tightens, bulk commodities represented by oil are expected to bear the brunt and be challenged by downside risks. Additionally, the disruption to economic activities caused by the epidemic will be another major risk. The availability of vaccines in major countries has indeed effectively prevented and controlled the epidemic, but the epidemic is still continuing in some areas due to the difficulty in obtaining sufficient vaccines in less developed regions such as Africa, and therefore the emergence of variants successively in the second half of the year poses a challenge to the effectiveness of the vaccines. As social distancing, community lockdown and other measures remain the most effective means of stopping the spread of the virus, there is still a risk of a global economic shutdown in the event of the outbreak of a new epidemic in the future.

然而，油價能否長期維持在當前的高位仍不明確，面臨諸多風險。能源作為基礎物資，其價格上漲必然傳導至工業品及消費品。2021年以來的油價快速上漲已經導致全球主要經濟體嚴重且持續的通貨膨脹。截至2021年12月，美國消費者價格指數(CPI)同比增速已保持在5%以上長達8個月之久，12月CPI同比增長7.12%，創40年來新高。雖然美聯儲在一開始堅持「通脹是暫時現象」，但面對持續上漲的物價，美聯儲不得不轉換態度，宣佈縮減購債規模，甚至暗示將提前加息縮表。而為了應對居高不下通脹，英國央行已經於11月宣佈加息5個基點。預計在2022年，全球主要經濟體將步入緊縮週期。而一旦金融市場流動性收緊，以石油為代表的大宗商品預計將首當其衝，面臨下跌風險。此外，疫情對經濟活動的干擾將是另一大風險。疫苗在主要國家的普及確實使疫情得到了有效防控，但由於非洲等欠發達地區難以獲得足夠的疫苗，疫情仍在一些地區持續，也因此下半年相繼出現變種毒株，對疫苗的有效性提出了挑戰。由於社交隔離、社區封控等手段仍然是阻斷病毒傳播的最有效手段，未來如有新的疫情再度爆發，則全球經濟活動仍將面臨停擺風險。

Monthly data on U.S. CPI year-on-year growth in 2021

2021年美國CPI同比增速月度數據



Source: The Federal Reserve

資料來源：美聯儲

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

In terms of the domestic oil and gas market, PetroChina, Sinopec and CNOOC focused on their major responsibilities of securing national energy safety, implemented key projects of enhanced reserve and productivity of oil and gas, and strived to “re-enhance” their abilities of ensuring oil and gas supply in 2021. The domestic exploration results show two major characteristics, namely being (1) inclined to marine resources, and (2) inclined to unconventional resources. On 21 October 2021, General Secretary Xi Jinping pointed out during his inspection and investigation of Shengli Oilfield that the construction of petroleum energy is of great significance to our country, and China, as a major manufacturing country, must develop the real economy and have the control of energy in its own hands. The strategic positioning at the national level has strengthened the belief in the long-term development of domestic oil and gas industry, and guided its development direction. Intensifying the exploration and development of oil and gas will become the key task of PetroChina, Sinopec and CNOOC in the future.

In 2021, while the prosperity of oil and gas industry was on the rebound, the pace of global energy transformation has accelerated noticeably, with renewable energy becoming the focus of the market. In recent years, a number of international oil giants have reinvented themselves, launching new brand names and logos, and marched towards the journey of developing into “energy giants” with a brand-new image. Following the name changes of national oil companies in Denmark and Norway, two more oil companies have announced their name changes in 2021. On 28 May, Total, a French petroleum giant, announced that its company name was changed to Total Energies. On 11 October, Qatar Petroleum officially changed its name to Qatar Energy. Against the backdrop of transformation of the energy industry, it has become a trend for oil companies to restructure their traditional business segments and move towards becoming energy companies.

Offshore wind power, as an important renewable energy source, saw great development in 2021. In October 2021, China’s offshore wind power installed capacity surpassed that of the United Kingdom (being 10.5GW) for the first time, making it the world’s largest offshore wind power market. As 2021 is the last year of the national subsidy for wind power in China, the country has seen a “rush of installation tide” in offshore wind power installations.

國內油氣市場方面，2021年，「三桶油」聚焦保障國家能源安全重大責任，實施增儲上產攻堅工程，着力推動油氣保供能力「再增強」。國內勘探成果呈現出兩大特點，即①向海洋資源傾斜，②向非常規資源傾斜。2021年10月21日，習近平總書記在勝利油田考察調研期間指出，石油能源建設對我們國家意義重大，中國作為製造業大國，要發展實體經濟，能源的飯碗必須端在自己手裡。國家層面的戰略定位為國內油氣行業的長效發展堅定了信念，指明了發展方向，加大油氣勘探開發力度將成為「三桶油」未來的重點任務。

2021年，雖然油氣行業景氣度回升，但全球能源轉型的節奏已明顯加快，可再生能源成為市場的焦點。近年來，已經有多家國際石油巨頭「改頭換面」，啓用新的品牌名稱和標識，以一個全新的形象邁向「能源巨頭」的發展征程。繼丹麥和挪威國家石油公司更名之後，在2021年又有兩家石油公司宣佈改名。5月28日，法國石油巨頭道達爾(Total)宣佈將公司名稱更改為道達爾能源(Total Energies)。10月11日，卡塔爾石油公司(Qatar Petroleum)正式更名為卡塔爾能源公司(Qatar Energy)。在能源行業轉型的背景下，石油公司紛紛調整傳統業務板塊，向能源公司邁進已經成為行業發展的大勢所趨。

海上風電作為一種重要的可再生能源，在2021年獲得了極大發展。2021年10月，我國海上風電裝機容量首次超過英國(10.5GW)，成為全球第一大海上風電市場。2021年是國內風電國補的最後一年，國內掀起了海上風電「搶裝潮」。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

According to Clarkson's latest report, as at early November 2021, a total of 199 offshore wind farms in the globe have been connected to the grid and commenced operation at full capacity, with installed capacity reaching 37.2GW. The global offshore wind power installed capacity will continue to grow significantly in the next few years, estimated to reach 102GW by the end of 2025. It is expected that by the end of 2021, the global cumulative installed capacity of offshore wind farms in operation will reach 43.9GW, of which 11.9GW will be connected to the grid at full capacity this year. Such growth in installed capacity is mainly driven by the large number of projects coming on stream in China, where 14 wind farms with a total of 3.1GW have been operated and what's more, 25 wind farms with a total of 8.3GW have been connected to the grid for the first time in the first 11 months of 2021.

With the massive construction of offshore wind farms around the world, wind power installation vessels are hard to find. Clarkson predicts that by the end of 2025, there will be a demand for more than 9,000 wind turbines to be hoisted worldwide, of which more than 2,000 will be placed in waters 40 kilometers away from the shore, as thus the demand for wind power installation vessels and operation and maintenance motherships will increase in the next few years. In the first 11 months of 2021, new-building or modification orders for a total of 15 wind power installation vessels and 13 operation and maintenance motherships have been signed, with the number of orders signed annually reaching a record high. Demand for wind power installation vessels and other construction vessels in the Chinese market remained strong in October due to the "rush of installation tide". At the end of October 2021, the utilisation rate of wind power installation vessels in the Chinese market reached 98%, while the number of vessels operating in Chinese wind farms was a monthly average of 69 vessels, an increase of 183% year-on-year. However, with the withdrawal of central government's subsidies, installation operations is likely to slow down in 2022, when demand for offshore wind power vessels in the Chinese market will decline.

To further reduce development costs, the trend that offshore wind turbines becoming larger will continue. Through research, Clarkson predicts that by 2025, the average hoisted single-machine capacity of the global offshore wind turbines will reach 8.9MW, representing an increase of 40% as compared to 2020. In August 2021, Mingyang Smart Energy, a domestic wind power turbine manufacturer, announced the launch of a 16MW offshore wind turbine, which is the world's highest single-machine capacity wind turbine so far.

克拉克森的最新報告顯示，截至2021年11月初，全球共累計199個海上風場全容量併網投產，其裝機量達到37.2GW。全球海上風電裝機規模在未來幾年仍將大幅增長，預計在2025年末達到102GW。預計2021年末，全球累計投產海上風場裝機量將達到43.9GW，其中11.9GW於今年全容量併網。裝機量增長的主要動力來自中國的大量項目投產。2021年前11個月，中國已有14個風場合3.1GW完成投產，此外仍有25個風場合8.3GW已實現首次併網。

而隨著全球範圍內海上風場建設大規模展開，風電安裝船一船難求。克拉克森預計到2025年末，全球將有超過9,000台風機的吊裝需求，其中2,000多台將被放置在離岸40公里以外的海域，風電安裝船和運維母船的需求將在未來幾年有所增長。2021年前11個月，全球共有15艘風電安裝船和13艘運維母船的新造或改裝訂單被簽訂，年簽單數量達到歷史新高。由於「搶裝潮」的進行，中國市場10月份的風電安裝船和其他施工船舶需求依舊旺盛。2021年10月末，中國市場風電安裝船利用率達到98%，而作業在中國風場的船舶數量達到月平均69艘，同比增長183%。然而隨著中央政府補貼退出，安裝作業可能在2022年有所放緩，屆時中國市場海上風電船舶需求將有所回落。

為了進一步降低開發成本，海上風機大型化的趨勢仍將持續。克拉克森研究預計，到2025年，全球海上風機平均吊裝單機功率將達到8.9MW，較2020年水平增長40%。2021年8月，國內風電整機廠商明陽智能宣佈推出16MW海上風機，該機型是全球迄今為止單機功率最大的海上風機。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The trend that offshore wind turbines becoming larger has placed greater demands on WTIV and cranes, with newly-built vessels adopting larger tonnage cranes and a strong demand for crane upgrade on existing vessels. As predicted by Clarkson's research, a new cycle of orders for offshore wind power installation vessels has begun. Since early 2020, a total of 24 WTIV new-building or modification orders have been signed worldwide, 10 of which will adopt cranes of no less than 1,200 tonnes SWL to have the capability of lifting 12MW and above wind turbines. In addition, there are still 12 letters of investment intent or standby orders to be effected in the market, where 11 vessels will be fitted with cranes of not less than 1,200 tonnes SWL. In order to meet the future market demand for large-scale WTIV, some ship-owners will start upgrading their existing fleets. From early 2020, the cranes for six WTIV have been confirmed to be upgraded to 1,600 tonnes SWL, with the upgrade for one more vessel yet to be effected.

In terms of the hydrogen energy market, the International Energy Agency forecasted in the "Net Zero by 2050 – A Roadmap for the Global Energy Sector" that in order to achieve carbon neutrality in 2050, the global demand for hydrogen will increase from 87 million tonnes in 2020 to 530 million tonnes, with an average annual growth rate of 6.2%. The Hydrogen Council also mentioned in its "Hydrogen for Net Zero" Report of November 2021 that in order to achieve the goal of carbon neutrality and a global cooling of 1.5 degrees, the global demand for hydrogen will be 660 million tonnes by 2050, accounting for 22% of the final global energy demand, with an average annual growth rate of 7.0%.

海上風機大型化的趨勢對海上風電安裝船(WTIV)及吊機提出了更高的要求，新造船將採用噸位更大的吊機，而現有船隻也有強烈的吊機升級需求。克拉克森研究預計新一輪的海上風電安裝船訂單週期已經開啓。自2020年初，全球共簽訂24個WTIV新造船或改裝訂單，其中10艘船採用不低於1200噸安全作業載荷(SWL)的吊機，以具備12MW及以上風機的吊裝能力。此外，市場上仍有12個投資意向書或備選訂單等待生效，其中11艘船將裝有不低於1200噸SWL的吊機。為滿足未來市場對大型WTIV的需求，一些船東將對其現有船隊開展升級改造。自2020年初，已確認有6艘WTIV的吊機將升級至1,600噸SWL，此外還有1艘的升級改造尚待生效。

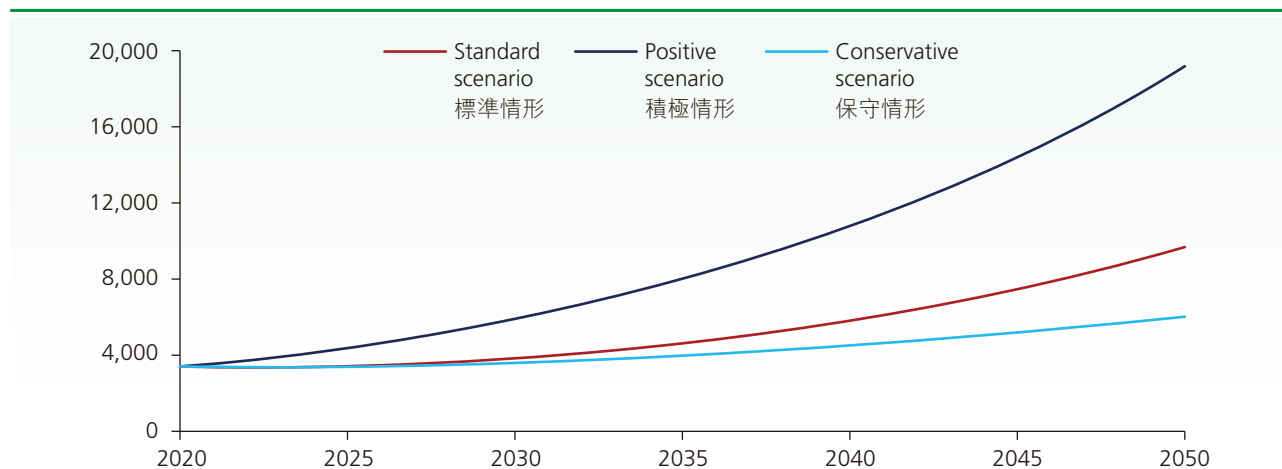
氫能市場方面，國際能源署在《2050年淨零排放——全球能源部門路線圖》中預測，為實現在2050年碳中和，全球對氫氣的需求將從2020年的0.87億噸增長至5.3億噸，年均增長6.2%。而國際氫能委員會在2021年11月的報告《淨零氫能報告》中也提到，為實現碳中和、全球降溫1.5度的目標，到2050年，全球對氫氣的需求為6.6億噸，佔全球最終能源需求的22%，年均增速達7.0%。

According to the estimate of National Alliance of Hydrogen and Fuel Cell, the proportion of hydrogen energy in China's end-use energy system will increase from 2.7% in 2019 to 6% by 2030 under a peak carbon emissions scenario, and to 20% by 2060 under a carbon neutrality scenario, which corresponds to an increase in China's annual demand for hydrogen from 33.42 million tonnes in 2020 to 37.15 million tonnes and 130 million tonnes in 2030 and 2060, with an average annual growth rate of approximately 3.5%. The number of hydrogen refueling stations and fuel cell electric vehicles will also increase rapidly. By the end of 2020, a total of approximately 544 hydrogen refueling stations have been built worldwide, of which 128 were in China, accounting for approximately 23.5%. According to the forecast of the "White Paper on the Hydrogen Energy and Fuel Cell Electric Vehicle Industry of China (2019)", the number of hydrogen refueling stations in China will reach 1,500 by 2035 and more than 10,000 by 2050, with an average annual growth rate of 15.6% to achieve this goal.

根據中國氫能聯盟預計，到2030年碳達峰情景下，氫能在中國終端能源體系的佔比將從2019年的2.7%提高到6%，而到2060年碳中和情景下，這一比重將提高到20%。這對應著我國對氫氣的年需求量，從2020年的3,342萬噸，增長至2030年和2060年的3,715萬噸和1.3億噸，年均增速約為3.5%。加氫站數量、氫燃料電池汽車保有量也將快速上升。截至2020年底，全球共建成加氫站約544座，其中我國128座，佔比約為23.5%。根據《中國氫能與燃料電池白皮書(2019)》預測，我國加氫站數量在2035年將達到1,500座，在2050年將達到10,000座以上，為實現這一目標，加氫站數量的年均增速達15.6%。

Forecast of hydrogen consumption in China (10,000 tonnes)

中國氫氣消費情況預測（萬噸）



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

At the Central level, hydrogen energy has become a key industry during the “14th Five-Year Plan” period. The “Outline of the 14th Five-Year Plan” identifies hydrogen energy and energy storage as a future industry and will implement incubation and acceleration plans for the future industry. At the local level, all regions are scrambling for the layout of the hydrogen energy industry. Recently, more than 30 provincial and municipal hydrogen energy development plans have been released in succession, including those for Beijing-Tianjin-Hebei region, Yangtze River Delta, Pearl River Delta, Sichuan and Shandong.

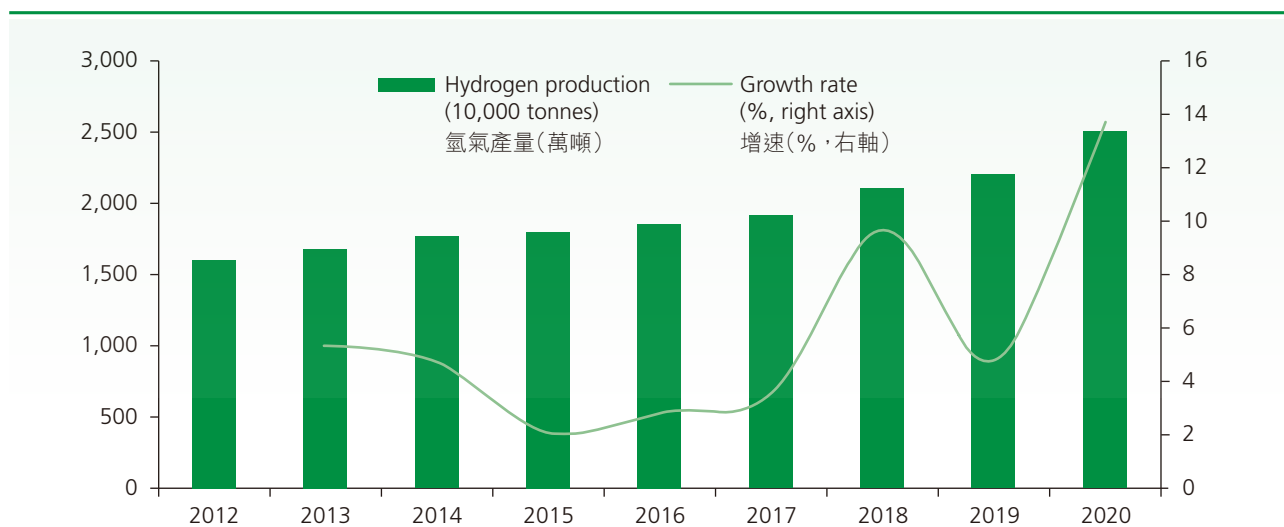
At present, China’s energy structure is still dominated by fossil energy, and non-fossil energy accounts for only 15.9%, which is still a certain distance from the target of 20% in 2025, and far from the target of 80% in 2060. China has abundant resources to produce hydrogen, and abandoned electricity resources can be an important source of hydrogen energy supply. China is the world’s largest renewable energy power generation country. By the end of 2020, China’s installed capacity of renewable energy power generation has reached 930 million kilowatts, accounting for more than 80% of the world. Approximately 100 billion kWh of electricity discarded each year from renewable energy sources such as wind power, photovoltaic and hydropower can be used to produce 2 million tonnes of hydrogen from electrolytic water. Renewable energy is expected to be the main source of green hydrogen supply in China.

中央層面，氫能成為「十四五」期間重點產業，《「十四五」規劃綱要》將氫能及儲能設立為未來產業，將實施未來產業孵化與加速計劃。地方層面，各地搶抓氫能產業佈局，目前已有京津冀、長三角、珠三角、四川、山東等30餘個省市級的氫能發展規劃相繼出台。

目前，我國的能源結構仍然以化石能源為主，非化石能源佔比僅為15.9%，相較2025年20%的目標還有一定距離，相比2060年80%的目標相去甚遠。我國製備氫氣的資源很豐富，棄電資源能作為氫能供給的重要來源。中國是全球第一大可再生能源發電國，截至2020年底，我國可再生能源發電裝機總規模達9.3億千瓦，佔全球總量的80%以上。我國每年在風電、光伏、水電等可再生能源上的棄電約1,000億千瓦時，可用於電解水製氫約200萬噸，可再生能源有望成為中國綠氫供給的主要來源。

Hydrogen production in China from 2012 to 2020

2012-2020年中國氫氣產量



Strategy and Prospects

In 2022, the Company will be positioned as a “technology-based international company engaged in oil and gas energy and green energy industries”, aiming to realise the dual-driven development of fossil energy business and new energy business.

By virtue of the steady development of its traditional oil and gas and offshore core equipment business, the Company will take full advantages on the offshore technology, market and talents by integrating upstream and downstream resources, actively participate in the investment in new energy, such as global wind power, wave power, LNG, hydrogen energy, smart electrical automation control, etc. and manufacturing technology industries, focus on new energy businesses such as offshore wind power and hydrogen energy, and proactively explore and deploy new businesses. The Company will implement its development strategies in the following aspects:

In respect of the offshore management business, the Company developed smoothly in 2021. The leases of the 2 drilling rigs under the management of the Company were successfully fulfilled, and the services were highly praised by customers. In 2022, the Company will continue to seek opportunities to integrate the performing assets of offshore engineering and further expand and develop the offshore light management business. For global hot markets, the Company will continue to adapt to the market situation by integrating internal resources and market-oriented means, create more updated cooperation models, and strengthen asset management business.

In terms of high-end oil and gas and offshore engineering equipment manufacturing, while continuing to strengthen the sales of drilling rigs in China, the Company will also expand the application and model innovation of high-end equipment in the offshore deep-water wind power field. The Company will keep a close eye on opportunities from hot market, especially the Mexican market, as well as the domestic onshore oil and gas market, and seize project opportunities such as rig reconstruction, sales of drilling equipment and spare parts. The Company will continue to conduct surveys on market and product demand, increase investment in research and development, and seek actively to cooperate with large state-owned enterprises with good credit by adopting flexible business models such as “lease and sale” or “financial leasing”, so as to improve profits and generate continuous cash inflows. In the field of wind power, the Company will start from the 1,600 tonnes wind power installation vessels project, closely seize market opportunities, build leading crane, lifting equipment and ship-wide power control products in China as well as the world, and cooperate with CM Industry to build branded marine products of CM Group with independent intellectual property right, so as to enhance the core competitiveness of the overall market.

策略及前景

二零二二年，新時期公司定位為「同時涉足油氣能源和綠色能源產業的技術型國際化公司」，實現化石能源業務和新能源業務的雙輪驅動。

公司將在穩步發展傳統油氣和海工核心裝備業務基礎上，通過整合上下游資源，充分發揮海工行業技術、市場、人才等優勢，積極參與全球風電、波浪發電、LNG、氫能源、智能電氣自動化控制等新能源與製造科技產業的投資，重點聚焦海上風電、氫能等新能源業務，積極開拓和佈局新業務。重點在以下幾個方面落實發展策略：

海工資管業務方面，二零二一年公司業務發展順利，管理的2座鑽井平台租約順利履行，服務得到客戶高度贊譽。二零二二年公司將繼續尋求整合海工良性資產的機會，進一步壯大發展海工輕資產管理業務，面向全球熱點市場，繼續通過整合內部資源和市場化手段相結合的方式，順應市場形勢，開創更多更新的合作模式，加強資管業務。

油氣海工高端裝備製造方面，公司在繼續加強中國鑽機市場銷售的同時，拓展海上深水風電領域高端裝備的應用和模式創新。公司將緊盯熱點市場機遇，尤其是墨西哥市場，以及國內陸地油氣市場，抓住鑽機改造、鑽井設備、備件銷售等項目機會。公司將對市場和產品需求持續調研，增加研發投入，繼續積極嘗試與資信較好的大型國有企業採用「租售」或「融資租賃」等靈活的業務模式進行業務合作，實現盈利的提升和現金流的持續流入。風電領域，公司將以1,600噸風電安裝船項目為起點，緊抓市場機遇，打造國內乃至全球領先的重型吊機、升降裝備和全船電控產品，配合招商工業全力打造招商局集團自主知識產權和品牌海工產品，提升整體市場核心競爭力。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Currently, more than 30 countries have formulated national hydrogen energy strategies. The Company encounters a precious growth opportunity in the hydrogen energy industry. Based on CMIC's high-end equipment manufacturing capabilities and experience, the Company will give priority to the upstream green hydrogen production, identify all issues under the overall layout of the industrial chain, leverage on its own advantages and resources, integrate external technologies with the Company's existing production capacity and management experience, and shine a brighter spotlight on the strategic cooperation with social capital. Meanwhile, by leveraging the advantages of major shareholders and related resources in respect of application scenarios, the Company will be able to explore the core parts of the industry and solve industry pain points. Subsequently, the Company will also strengthen the expansion of downstream application scenarios, and form an internal resource synergy with numerous ports, industrial parks, logistics parks and highways of CM Group. At the same time, by serving the hydrogen refueling station as a hub, the upstream hydrogen production and downstream application scenarios are closely connected to realize the overall layout of the upstream and downstream industrial chain.

In 2022, the Company will continue to strengthen coordination with strategic shareholders and business partners including CM Group, CIMC Group, Minsheng Trust, CSSC, Shelf Drilling, etc., and seek collaborative development opportunities in terms of rig asset disposal, rig asset leasing lease and sales, business development in wind power market, equipment sales, project financing, expansion in the application scenarios of hydrogen energy etc.

In 2022, the Company will continue to strengthen works in terms of brand building and investor relations, improve the Company's Internet external window channels, update and strengthen the brand positioning of "oil and gas energy + green energy". The Company will enhance the maintenance of investor relations and market value management, strengthen the connection between the Company and investors through regular strategy presentations, video conferences, roadshows, etc., and strive to achieve positive interaction and development.

PLANS FOR MATERIAL INVESTMENTS, ASSETS AND CAPITAL INTEGRATION

In terms of investment direction, the Company will focus on opportunities of investment in high-tech and digital applications including design, manufacturing, and research and development of high-end offshore equipment. Based on the existing offshore management business, the Company will also seek potential opportunities to expand offshore management business projects and proactively seek opportunities for investment and integration in relation to equipment, operation and maintenance services in the offshore wind power industry, especially deep-water floating wind power. The Company will continue to expand its investment in the whole industry chain of hydrogen energy industry, seeking opportunities for investment and integration in high-value key segments such as green hydrogen production, fuel cells, hydrogen compressors and offshore hydrogen production.

目前已有30多個國家制定了國家氫能戰略，氫能源行業面臨著十分難得的發展機遇。公司將以華商國際高端裝備製造能力和經驗為基礎，從上游綠氫製備出發，在產業鏈整體佈局下通盤考慮問題，發揮自身優勢和資源，將外部技術與公司現有生產能力和管理經驗相融合，將更多的目光投向與社會資本的戰略性合作，同時借助大股東及相關資源在應用場景方面的優勢，發掘行業核心環節，解決行業痛點。公司下一步還將加強下游在應用場景方面的拓展，與招商局集團大量港口碼頭、產業園、物流園、公路等形成內部資源協同優勢。同時通過加氫站作為樞紐，將上游製氫與下游應用場景緊密聯繫，實現產業鏈上下游整體佈局。

二零二二年公司將繼續加強與招商局集團、中集集團、民生信託、中船集團、Shelf Drilling等戰略股東及業務合作夥伴的協同，尋求在平台資產處置、平台資產租售、風電市場業務發展、設備銷售、項目融資、氫能應用場景拓展等多方面業務協同發展機會。

二零二二年，公司將繼續加強品牌建設和投資者關係工作。完善公司互聯網對外窗口渠道，更新和強化「油氣能源+綠色能源」的品牌定位。加強投資者關係的維護和市值管理，通過定期策略宣講、視頻會議、路演等方式加強公司與投資者時間的聯繫，並實現良性互動和發展。

重大投資、資產及資本整合計劃

公司在投資方向上，重點關注海洋高端裝備設計、製造、研發等高新科技技術及數字化應用領域的投資機會。本公司亦會以現有海工資產管理業務為基礎，尋求潛在的擴大海工資產管理業務項目機會；積極尋求海上風電行業。特別是深水浮式風電相關的裝備、運維服務相關的投資整合機會。公司將繼續拓展氫能行業全產業鏈投資，尋求綠氫製取、燃料電池、氫壓縮機、海上製氫等高價值重點環節的投資整合機會。

In assessing the potential investment or acquisition targets, the Company will consider a combination of factors such as alignment with the Company's strategic plans, synergies, market position and strengths, management team capability, valuation, track record, financial performance and potential growth. The Company will gradually improve its financial performance by expanding its business direction and creating a new profit model, so as to provide a firm basis for future growth expansion.

CHANGE IN SHAREHOLDING

The Company was informed by China Merchants Industry Holdings Company Limited ("CM Industry") that on 9 July 2021, (i) Great Wall International Investment V Limited ("GWI Investment V"), China Merchants Union (BVI) Limited ("CMU (BVI)") and an independent minority limited partner transferred all of their limited partnership interests in China Merchants & Great Wall Ocean Strategy & Technology Fund (L.P.) ("Fund LP") to CM Industry; and (ii) China Great Bay Area Fund Management Company Limited, CMU (BVI) and China Great Wall AMC (International) Holdings Company Limited ("China Great Wall AMC") transferred all of their equity interests in China Merchants GreatWall GP Limited ("Fund GP") (the general partner of Fund LP) to CM Industry (the "Change in Shareholding"). As at the date of this report, Fund LP holds 1,530,372,000 shares (representing approximately 47.18% of the issued share capital of the Company) through its wholly-owned subsidiary, Prime Force Investment Corporation. Following the Change in Shareholding, CM Industry holds approximately 99.96% of the limited partnership interest in Fund LP and 100% of the equity interest in Fund GP. As China Great Wall AMC, GWI Investment V and their controlling shareholders ceased to have interests in Fund LP and Fund GP, they have ceased to have any interest in the shares within the meaning of Part XV of the Securities and Futures Ordinance (Cap 571 of the laws of Hong Kong). As at the date of this report, China Merchants Group Limited (招商局集團有限公司) indirectly controls approximately 99.96% of the limited partnership interest in Fund LP and the entirety of the equity interest in Fund GP, it is therefore a controlling shareholder and the ultimate beneficial owner of the Company. The Company was advised by CM Industry that the Executive Director of the Corporate Finance Division of the Securities and Futures Commission has, pursuant to Note 8 to Rule 26.1 of the Codes on Takeovers and Mergers and Shares Buy-backs, confirmed that no general offer obligation will be triggered on the part of CM Industry as a result of the Change in Shareholding.

在評估潛在投資或收購目標時，本公司會綜合考慮多項因素，包括是否符合本集團之戰略計劃、協同效益、市場定位與優勢、管理團隊之能力、估值、往績記錄、財務表現及潛在增長。通過拓展本公司的業務方向和開創新的盈利模式，改善本公司之財務表現，從而為未來業績增長提供堅實基礎。

股權變動

於二零二一年七月九日，本公司獲招商局工業集團有限公司(「招商局工業」)告知：(i) Great Wall International Investment V Limited (「GWI Investment V」)、China Merchants Union (BVI) Limited (「CMU (BVI)」)及一名獨立少數有限合夥人已向招商局工業轉讓其於招商局長城海洋科技戰略發展產業基金(「基金有限合夥人」)的全部有限合夥權益；及(ii) China Great Bay Area Fund Management Company Limited、CMU (BVI)及中國長城資產(國際)控股有限公司(「長城資產國際」)已向招商局工業轉讓其於招商長城合夥人有限公司(「基金普通合夥人」)(基金有限合夥人的普通合夥人)的全部股權(「股權變動」)。於本報告日期，基金有限合夥人透過其全資附屬公司Prime Force Investment Corporation持有1,530,372,000股股份，佔本公司已發行股本的約47.18%。於股權變動後，招商局工業持有基金有限合夥人的約99.96%有限合夥權益及基金普通合夥人的100%股權。由於長城資產國際、GWI Investment V及其控股股東不再擁有基金有限合夥人及基金普通合夥人的權益，彼等不再擁有香港法例第571章證券及期貨條例第XV部所界定的任何股份權益。於本報告日期，招商局集團有限公司間接控制基金有限合夥人的約99.96%有限合夥權益及基金普通合夥人的全部股權，故其為本公司的控股股東及最終實益擁有人。招商局工業已告知本公司，證券及期貨事務監察委員會企業融資部執行董事根據公司收購、合併及股份回購守則規則26.1註釋8已確認，股權變動並不會觸發招商局工業作出全面要約的責任。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

SHARE AWARD PLANS

The Company adopted a share award plan (“Share Award Plan 1”) on 16 January 2015 (the “Adoption Date”). The Share Award Plan 1 does not constitute a share option scheme pursuant to Chapter 17 of the Listing Rules and is operated at the discretion of the Company. The purpose of the Share Award Plan 1 is to recognise the contributions of officers and employees of the Group (the “Eligible Persons”), excluding any director of the Company (“Directors”) and any other connected persons of the Group, towards the development of the Group in the past or as incentives to selected grantees to achieve higher-than-target profits for the Group and to align the interests of the selected grantees with sustainable growth and development of the Group.

The total number of shares that may be purchased under the Share Award Plan 1 shall not exceed 3% of the issued shares (i.e. 21,147,456 shares) at the Adoption Date. A trust has been set up and Treasure Maker Investments Limited has been appointed as the trustee. Pursuant to the Share Award Plan 1, the trustee may purchase shares from the public market out of cash contributed by the Company from time to time. Shares purchased under the Share Award Plan 1 will be held in trust for the Eligible Persons until such shares are vested in accordance with the provisions of the rules relating to the Share Award Plan 1. The Share Award Plan 1 will be effective for a period until 15 January 2025 unless terminated at the discretion of the Board at an earlier date.

During the year ended 31 December 2021 and as of the date of this report, the trustee did not purchase any shares on the Stock Exchange pursuant to the Share Award Plan 1. In 2021, the Company granted 12,701,000 shares (representing approximately 0.4% of the issued share capital of the Company) held by the trustee. As at the date of this report, 8,446,456 shares are held by the trustee under the Share Award Plan 1.

The Company adopted a new share award plan (“Share Award Plan 2”) on 31 October 2019 (the “Adoption Date”). The Share Award Plan 2 does not constitute a share option scheme pursuant to Chapter 17 of the Listing Rules and is at the discretion of the Company. The purpose of the Share Award Plan 2 is to recognise the contributions of officers, Directors and any other connected persons or consultants of the Group (the “Eligible Persons”) towards the development of the Group in the past or as incentives to selected grantees to achieve higher than target profits for the Group and to align the interests of the selected grantees with sustainable growth and development of the Group.

股份獎勵計劃

本公司已於二零一五年一月十六日(「採納日期」)採納一項股份獎勵計劃(「股份獎勵計劃1」)。股份獎勵計劃1並不構成根據上市規則第十七章之購股權計劃，可由本公司酌情操作。股份獎勵計劃1旨在表揚本集團高級職員及僱員(「合資格人士」)，(不包括任何本公司董事(「董事」)及本集團任何其他關連人士)過去對本集團發展之貢獻，或鼓勵經選定承授人達成比本集團目標溢利更高的目標，以及將經選定承授人之利益與本集團之持續增長及發展掛鉤。

根據股份獎勵計劃1可購買股份總數不得超過採納日期已發行股份之3%(即21,147,456股股份)。本公司已成立一項信託及委任Treasure Maker Investments Limited為受託人。根據股份獎勵計劃1，受託人可於公開市場以本公司不時注入之現金購買股份。根據股份獎勵計劃1購買之股份將以信託為合資格人士持有，直至該等股份根據關於股份獎勵計劃1相關規則條文歸屬為止。股份獎勵計劃1將一直有效，直至二零二五年一月十五日，惟董事會酌情在較早日期終止則作別論。

於截至二零二一年十二月三十一日止年度及本報告日期為止，受託人根據股份獎勵計劃1沒有於聯交所購買股份。二零二一年期間，本公司授予受託人所持有之12,701,000股股份(佔本公司已發行股本之約0.4%)。於本報告日期，受託人根據股份獎勵計劃1持有8,446,456股股份。

本公司已於二零一九年十月三十一日(「採納日期」)採納新的一項股份獎勵計劃(「股份獎勵計劃2」)。股份獎勵計劃2並不構成根據上市規則第十七章之購股權計劃，可由本公司酌情操作。股份獎勵計劃2旨在表揚本集團高級管理人員、董事和任何其他關聯人士或顧問(「合資格人士」)，過去對本集團發展之貢獻，或鼓勵經選定承授人達成比本集團目標溢利更高的目標，以及將經選定承授人之利益與本集團之持續增長及發展掛鉤。

The total number of shares that may be purchased under the Share Award Plan 2 shall not exceed 3% of the issued shares (i.e. 92,071,174 shares) at the Adoption Date. A trust has been set up and Treasure Maker Investments Limited has been appointed as the trustee. Pursuant to the Share Award Plan 2, the trustee may purchase shares from the public market out of cash contributed by the Company from time to time. The shares purchased under the Share Award Plan 2 will be held in trust for the Eligible Persons until such shares are vested in accordance with the provisions of the rules relating to the Share Award Plan 2. The Share Award Plan 2 will be effective for a period until 30 October 2029 unless terminated at the discretion of the Board at an earlier date.

During the year ended 31 December 2021, the trustee purchased 3,040,000 shares in aggregate on the Stock Exchange pursuant to the Share Award Plan 2 at a total consideration of approximately HK\$1,150,000. 2,600,000 shares were granted by the Company to Eligible Persons in 2021, of which 1,300,000 shares and 1,300,000 shares were respectively granted to Mr. JIANG Bing Hua and Mr. ZHANG Menggui, Morgan, each an executive Director, representing 0.08% of the shares in issue. As at the date of this report, 62,052,544 shares are held by the trustee under the Share Award Plan 2.

SHARE AWARD INCENTIVE SCHEME

The Company adopted a share award incentive scheme ("Share Award Incentive Scheme") on 27 May 2016 (the "Adoption Date of Share Award Incentive Scheme"). The purposes of the Share Award Incentive Scheme are (i) to align the interests of Eligible Persons with those of the Group through ownership of shares, dividends and other distributions paid on shares and/or the increase in value of the shares; and (ii) to encourage and retain Eligible Persons to make contributions to the long-term growth and profits of the Group. The Share Award Incentive Scheme is a separate scheme from Share Award Plan 1 and Share Award Plan 2 which are specifically for granting Share awards sourced from existing shares purchased from the stock market. The Share award Incentive Scheme will give the Company flexibility in granting awards of new shares. The Share Award Incentive Scheme will be effective for a period until 26 May 2026 unless terminated at the discretion of the Board at an earlier date.

根據股份獎勵計劃2可購買之股份總數不得超過採納日期已發行股份之3% (即92,071,174股)。本公司已成立一項信託及委任Treasure Maker Investments Limited為受託人。根據股份獎勵計劃2，受託人可於公開市場以本公司不時注入之現金購買股份。根據股份獎勵計劃2購買之股份將以信託為合資格人士持有，直至該等股份根據關於股份獎勵計劃2相關規則條文歸屬為止。股份獎勵計劃2將一直有效，直至二零二九年十月三十日，惟董事會酌情在較早日期終止則作別論。

於截至二零二一年十二月三十一日止年度，受託人根據股份獎勵計劃2於聯交所購買合共3,040,000股股份，總代價約為1,150,000港元。二零二一年期間，本公司向合資格人士授出2,600,000股股份，其中授予執行董事蔣秉華先生1,300,000股股份及張夢桂先生1,300,000股股份，佔已發行股份的0.08%。於本報告日期，受託人根據股份獎勵計劃2持有62,052,544股股份。

股份獎勵激勵計劃

本公司已於二零一六年五月二十七日(「股份獎勵激勵計劃採納日期」)採納一項股份獎勵激勵計劃(「股份獎勵激勵計劃」)。股份獎勵激勵計劃的目的為(i)透過股份所有權、股息及就股份支付的其他分派及/或提升股份價值令合資格人士的利益與本集團的利益一致；及(ii)鼓勵並挽留合資格人士，以就本集團的長期增長及溢利作出貢獻。股份獎勵激勵計劃為有別於股份獎勵計劃1及股份獎勵計劃2，並指定用作授出來自現有股份(購自股票市場)的股份獎勵。股份獎勵激勵計劃將為本公司授出新股份獎勵提供靈活彈性。股份獎勵激勵計劃將一直有效，直至二零二六年五月二十六日，惟董事會酌情在較早日期終止則作別論。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The Company has approved the adoption of the Share Award Incentive Scheme on 27 May 2016 by the shareholders by poll at the AGM, pursuant to which new shares of not more than 3% of the total number of issued shares as at the Adoption Date of Share Award Incentive Scheme (i.e. 21,213,606 new shares) will be allotted and issued to the Trustee by the Company, and will be held on trust by the Trustee for the Selected Participants before vesting. For details, please refer to the Company's announcement dated 7 April 2016 and the Company's circular dated 8 April 2016.

No grant was made for the year ended 31 December 2021. As at 31 December 2021, the total number of shares that may be granted under the Share Award Incentive Scheme is 21,213,606 shares, representing 0.7% of the issued share capital of the Company.

本公司已於二零一六年五月二十七日由股東於股東週年大會上以投票方式批准採納股份獎勵激勵計劃，據此，本公司將向受託人配發及發行不超過於股份獎勵激勵計劃採納日期已發行股份總數3%的新股份(即21,213,606股新股份)，且於歸屬前將由受託人以信託形式為獲選參與者持有。有關詳情，請參閱本公司日期為二零一六年四月七日的公告及本公司日期為二零一六年四月八日的通函。

截至二零二一年十二月三十一日止年度，概無作出任何授予。於二零二一年十二月三十一日，根據股份獎勵激勵計劃可授出的股份總數為21,213,606股股份(佔本公司已發行股本的0.7%)。

PROFILES OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

Executive Directors

執行董事

Mr. JIANG Bing Hua, aged 71, has been appointed as the Chief Executive Officer of the Company with effect from 26 January 2022. He is a co-founder of the Company. He was the Co-Chairman of the Company. He has been appointed as an executive Director of the Company since 18 March 2005 and is responsible for the Company's overall strategy planning and business development. He obtained his bachelor's degree in offshore structure engineering from Tianjin University (天津大學) in the PRC in 1980 and acquired his master's degree in business administration from University of Dallas in the U.S.A. in 1993. He has 44 years of experience in the oil and gas industry. Prior to founding the Company, he worked for the Sinopec Group, the China National Petroleum Corporation and China National Offshore Oil Corporation in various positions such as driller, drilling superintendent, drilling manager, operation manager and company representative.

蔣秉華先生，71歲，自二零二二年一月二十六日起獲委任為本公司首席執行官。彼為本公司聯合創辦人。彼曾任本公司聯席主席。彼自二零零五年三月十八日起獲委任為本公司執行董事，負責本公司的整體策略性規劃及業務發展。彼於一九八零年於中國天津大學取得海上結構工程學士學位，並於一九九三年於美國達拉斯大學取得工商管理碩士學位。彼在石油及天然氣業擁有44年經驗。創立本公司之前，他曾於中國石化集團、中國石油集團及中國海洋石油總公司擔任不同職務，如鑽探員、鑽探監督、鑽探經理、營運經理及公司代表。

Mr. ZHANG Menggui, Morgan, aged 63, is a co-founder of the Company and has been appointed as an executive Director since 18 March 2005. He obtained his bachelor's degree majoring in drilling engineering from China University of Petroleum in 1982 and acquired his master's degree in petroleum engineering from University of Alaska-Fairbanks in the U.S.A. in 1989 and he received an executive master's degree in business administration ("EMBA") from China Europe International Business School in 2012. He has 35 years of experience in the oil and gas industry. Prior to founding the Company, he worked for a subsidiary of China National Petroleum Corporation in China and for Cook Inlet Region Inc. in Alaska. He is currently a member of several oil industry associations and professional organizations including the Society of Petroleum Engineers and the American Drilling Engineers.

張夢桂先生，63歲，為本公司聯合創辦人，自二零零五年三月十八日起獲委任為執行董事。彼於一九八二年在中國石油大學取得學士學位，主修鑽探工程，並於一九八九年於美國University of Alaska-Fairbanks取得石油工程碩士學位及於二零一二年於中歐國際工商學院取得高級管理人員工商管理碩士([EMBA])。彼在石油及天然氣業擁有35年經驗。創立本公司之前，彼曾任職於中國石油天然氣集團公司於中國的附屬公司及阿拉斯加Cook Inlet Region Inc.。彼現為數個石油業協會及專業組織的會員，包括石油工程師協會及美國鑽井工程師協會。

PROFILES OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

Non-executive Directors

非執行董事

Mr. WANG Jianzhong, aged 48, has been appointed as a non-executive Director of the Company with effect from 4 July 2016. He graduated from Beijing Normal University in China with a master's degree in Management and Business Administration in 1998. He started working in 1998 and he is currently the president of CIMC Raffles Offshore (Singapore) Limited ("CIMC Raffles"). From 1998 to 2006, he was a senior manager of capital operation department of China Ocean Shipping (Group) Corporation ("COSCO"). From 2006 to 2007, he was a deputy general manager of Taicang CIMC Container Co., Ltd. From 2007 to 2014, he was the general manager of the enterprise management department of CIMC, where he notably created and promoted the CIMC "LEAN ONE" management model based on the LEAN concept which significantly improved the group's annual revenue. The LEAN ONE Concept attracted favourable reviews from the "Harvard Business Review" and "Tsinghua Business Review". From 2010 to 2014, he acted as the secretary general of group leadership council of CIMC (中集集團升級領導委員會) to promote upgraded changes for CIMC. From June 2014 to December 2015, he was the vice president of CIMC Raffles. From December 2015 to date, he has been the president of CIMC Raffles. From January 2019 to date, he has been the president of CIMC Offshore Holdings Co., Ltd.

王建中先生，48歲，已獲委任為本公司非執行董事，自二零一六年七月四日起生效。彼在一九九八年畢業於中國北京師範大學，持有管理及工商管理碩士學位。彼於一九九八年開展事業，現任CIMC Raffles Offshore (Singapore) Limited (「CIMC Raffles」)總裁。於一九九八年至二零零六年，彼曾任中國遠洋運輸(集團)總公司(「COSCO」)資本營運部門高級經理。於二零零六年至二零零七年，彼於太倉中集集裝箱製造有限公司擔任副總經理。於二零零七年至二零一四年，彼於中集集團企業管理部出任總經理，期間，彼以精益概念為基礎特地打造及宣揚中集集團的「精益ONE」管理模式，顯著提升集團的年度收益。精益ONE概念獲《哈佛商業評論》(Harvard Business Review)及《清華管理評論》(Tsinghua Business Review)好評。於二零一零年至二零一四年，彼出任中集集團升級領導委員會秘書長，為中集集團推行升級變動。於二零一四年六月至二零一五年十二月，彼擔任CIMC Raffles副總裁。自二零一五年十二月迄今，彼一直為CIMC Raffles總裁。自二零一九年一月迄今，彼擔任中集海洋工程有限公司總裁。

Mr. LOU Dongyang, aged 46, has been appointed as the chairman of the Board of the Company with effect from 19 February 2020 and as a non-executive Director with effect from April 2018. He is also the chief financial officer of China Merchants Industry Holdings Co., Ltd. Mr. Lou has served as an engineer in the Chemical Engineering Office of the Institute of Standardization of Nuclear Industry and as secretary-general for the National Technical Committee for Standardization of Radioisotopes (全國放射性同位素標準化技術委員會) from July 1997 to October 2001, as an engineer in the Planning Department in China Isotope Company from October 2001 to August 2003, as a specialist of the board of supervisors for Key Large State-Owned Enterprises under the State Council from August 2003 to August 2004, as deputy director of the board of supervisors for Key Large State-Owned Enterprises under the State Council from September 2008 to September 2012, as the assistant to the department director of the intellectual property administrative department of China Merchants Group Limited ("CM Group") from September 2012 to May 2015, as the assistant to the department director of the finance department (intellectual property department) of CM Group from May 2015 to October 2015, and as the deputy director of the finance department (intellectual property department) of CM Group from October 2015 to November 2017. Mr. Lou obtained a bachelor's degree in applied chemistry from Peking University in 1997 and a master's degree in business administration also from Peking University in 2002.

婁東陽先生，46歲，自二零二零年二月十九日起獲委任為本公司董事會主席及自二零一八年四月起獲委任為非執行董事。彼亦為招商局工業集團有限公司財務總監。婁先生於一九九七年七月至二零零一年十月任核工業標準化研究所化工室工程師並兼任全國放射性同位素標準化技術委員會秘書長，於二零零一年十月至二零零三年八月任中國同位素公司計劃財務部工程師，於二零零三年八月至二零零四年八月任國務院國有重點大型企業監事會專業人員，於二零零八年九月至二零一二年九月任國務院國有重點大型企業監事會副處長，於二零一二年九月至二零一五年五月任招商局集團有限公司(「招商局集團」)產權管理部部長助理，於二零一五年五月至二零一五年十月任招商局集團財務部(產權部)部長助理，以及於二零一五年十月至二零一七年十一月任招商局集團財務部(產權部)副部長。婁先生於一九九七年取得北京大學應用化學學士學位，並於二零零二年取得北京大學工商管理碩士學位。

PROFILES OF DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層

Ms. FU Rui, aged 40, is an intermediate economist. She was appointed as a non-executive Director of the Company with effect from 1 June 2019. Since June 2016, she has been the deputy general manager of the asset operations department of the shipping investment management headquarters of China Minsheng Trust Co., Ltd. From April 2007 to June 2016, She worked in the president office of China Classification Society. Ms. Fu obtained a bachelor's and master's degree in Maritime Law from Dalian Maritime University, in 2004 and 2007, respectively.

傅銳女士，40歲，中級經濟師。自二零一九年六月一日起獲委任為本公司非執行董事。自二零一六年六月至今任職於中國民生信託有限公司，擔任航運投資管理總部資產運營部副總經理。自二零零七年四月起至二零一六年六月，任職於中國船級社總裁辦。傅女士分別於二零零四年和二零零七年獲得大連海事大學海商法學學士和碩士學位。

Mr. LIU Jiancheng, aged 46, a senior engineer. He has been appointed as a non-executive Director of the Company with effect from 23 September 2021. He is currently serves as the general manager of the science and technology development department of China Merchants Industry Holdings Limited. He served as a technician of Guangzhou Shipyard International Co., Ltd. from 2000 to 2001 and an engineer of Singapore Keppel FELS from 2001 to 2006. He successively served as the technical supervisor, design manager and deputy chief engineer of China Merchants Heavy Industry (Shenzhen) Co., Ltd. from 2006 to 2013, and the deputy chief engineer and chief engineer of China Merchants Heavy Industry (Jiangsu) Co., Ltd. from 2013 to 2017. Mr. LIU served as the deputy general manager of China Merchants Heavy Industry (Shenzhen) Co., Ltd. and Yiu Lian Dockyards (Shekou) Limited from 2018 to 2019 and the general manager of China Merchants Offshore Technology Research Center from 2019 to 2021. Mr. LIU obtained a master's degree in ships and offshore engineering from Jiangsu University of Science and Technology in 2018 and a bachelor's degree in shipbuilding engineering from East China Shipbuilding Institute in 2000.

劉建成先生，46歲，高級工程師，自二零二一年九月二十三日起獲委任為本公司非執行董事。彼現任招商局工業集團科技發展部總經理。於二零零零年至二零零一年，任廣州廣船國際股份有限公司技術員。於二零零一年至二零零六年，任新加坡吉寶遠東船廠工程師。於二零零六年至二零一三年，先後擔任招商局重工(深圳)有限公司技術主管、設計經理及副總工程師。於二零一三年至二零一七年，先後擔任招商局重工(江蘇)有限公司副總工程師及總工程師。於二零一八年至二零一九年，任招商局重工(深圳)有限公司及友聯船廠(蛇口)有限公司副總經理。於二零一九年至二零二一年，任招商局集團海洋工程技術中心總經理。劉先生於二零一八年取得江蘇科技大學船舶與海洋工程碩士學位，並於二零零零年取得華東船舶工業學院船舶工程學士學位。

Mr. HUANG Jin, aged 46, is an engineer. He has been appointed as a non-executive Director of the Company with effect from 23 September 2021. He is the marketing director of China Merchants Industry Holdings Company Limited. Mr. HUANG served as the assistant to the manager of the commercial department of COSCO (GUANGZHOU) SHIP REPAIR YARD CO., LTD from 1997 to 2002, the manager of the planning department of COSCO SHIPYARD (GUANGZHOU) CO., LTD from 2002 to 2005, and the deputy general manager and manager of the commercial department of Yiu Lian Dockyards (Shekou) Limited from 2006 to 2013. He has been the deputy general manager of the commercial headquarters, the general manager of the strategic development department and the marketing director of China Merchants Industry Holdings Company Limited since 2013. Mr. HUANG obtained a bachelor's degree in mechanical design and manufacturing from the Marine Machinery Department of Wuhan Transportation Science and Technology University in 1997.

黃晉先生，46歲，工程師，自二零二一年九月二十三日起獲委任為本公司非執行董事。彼亦為招商局工業集團有限公司市場總監。黃先生於一九九七年至二零零二年，任廣遠修船廠經營部經理助理，於二零零二年至二零零五年，任廣州中遠船務企劃部經理，於二零零六年至二零一三年，任友聯船廠(蛇口)有限公司副總經理兼經營部經理，於二零一三年至今，先後擔任招商局工業集團有限公司經營總部副總經理、戰略發展部總經理及市場總監。黃先生於一九九七年取得武漢交通科技大學船機系機械設計與製造專業學士學位。

PROFILES OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

Independent Non-executive Directors

獨立非執行董事

Mr. CHAN Ngai Sang, Kenny, aged 57, has been appointed as an independent non-executive Director since October 2005. He is a partner and founder of Kenny Chan & Co., a firm of certified public accountants. He has over 30 years' experience in accounting, taxation, auditing and corporate finance and has been involved in several mergers, acquisitions and initial public offering projects. He holds a bachelor of commerce degree from the University of New South Wales and is a member of Chartered Accountants Australia and New Zealand, the Association of International Accountants, CPA Australia, the Hong Kong Institute of Certified Public Accountants and the Taxation Institute of Hong Kong. He is also a fellow member of the Hong Kong Institute of Directors. He served as president of the Hong Kong Branch of the Association of International Accountants in the years 2012–2015. He is an independent non-executive director of Zhongyuan Bank Co., Ltd., Minsheng Education Group Company Limited, Pak Tak International Limited, and Hebei Construction Group Corporation Limited, all listed on the Main Board of the Stock Exchange.

陳毅生先生，57歲，自二零零五年十月起獲委任為獨立非執行董事。彼為一間執業會計師公司陳毅生會計師事務所的合夥人兼創辦人。彼於會計、稅務、核數及企業融資方面擁有逾30年經驗，曾參與多項公司合併、收購及首次公開發售項目。彼持有澳洲新南韋爾斯大學商學士學位，並為澳洲及新西蘭特許會計師協會、國際會計師公會、澳洲會計師公會、香港會計師公會及香港稅務學會的會員，亦為香港董事學會資深會員。彼於二零一二年至二零一五年曾出任國際會計師公會香港分會的會長。彼為中原銀行股份有限公司、民生教育集團有限公司、百德國際有限公司及河北建設集團股份有限公司(均為於聯交所主板上市的公司)的獨立非執行董事。

Mr. ZOU Zhendong, aged 52, has been appointed as an independent non-executive Director since May 2018. He also serves as an independent director of Bestsun Energy Co. Ltd., an A share company listed on the Shanghai Stock Exchange, a senior partner of Sinowing Law LLP, a senior consultant of Sinowing (Beijing) AMC Co., Ltd., and further and concurrently as a member of the High-tech and E-Commerce Committee & International Business Committee of All China Lawyers Association. Mr. Zou served as a staff member of the Chinese People's Association for Friendship with Foreign Countries, as a staff member of China Native Produce & Animal By-Products Import & Export Corp., as the director of the 4th Department for China Commercial Foreign Trade Corporation, and as the partner in charge of international business department and intellectual property department for Beijing Dacheng Law Firm (also known as Dentons). Mr. Zou was awarded a bachelor's degree by the Renmin University of China in 1992, with major in international politics and minor in international economics. Mr. Zou was jointly elected by the Ministry of Justice of the People's Republic of China and Lord Chancellor's Office of the United Kingdom to work and train in London.

鄒振東先生，52歲，自二零一八年五月起獲委任為獨立非執行董事。彼目前亦擔任於上海證券交易所上市的A股公司百川能源股份有限公司的獨立董事、北京市中鵬律師事務所的高級合夥人、Sinowing (Beijing) AMC Co., Ltd.的高級顧問，此外及同時，彼擔任中華全國律師協會高新科技及電子商務委員會(High-tech and E-Commerce Committee)及國際業務委員會(International Business Committee)會員。鄒先生曾擔任中國人民對外友好協會主任科員、中國土產畜產進出口總公司員工、中商外貿有限公司四處主管以及北京大成律師事務所國際業務部及知識產權部的負責合夥人。鄒先生於一九九二年獲授中國人民大學學士學位，主修國際政治學，副修國際經濟學。由於獲中華人民共和國司法部及英國大法官辦公室共同推舉，鄒先生曾於倫敦工作及受訓。

PROFILES OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

Mr. CHEN Weidong, aged 66, has been appointed as an independent non-executive Director with effect from June 2018. Mr. Chen has over 30 years of experience in the offshore oil and gas industry. He supervised and organised the publication of four books on petroleum economics and geopolitics. Mr. Chen is now serving as guest professor at Renmin University of China, invited researcher at Energy Security Center of Graduate School of Chinese Academy of Social Sciences, dean of Minde Institute and chair of DFS Energy Consultant (Beijing) Ltd. Mr. Chen used to work as chief energy researcher of CNOOC Energy Economics Institute, executive vice president, secretary of board of directors, and chief strategy officer of China Oilfield Services Limited (a H-share company listed on the Main Board of the Stock Exchange from 2002, stock code: 2883). Mr. Chen obtained a bachelor's degree in geophysical exploration studies from Ocean University of China (formerly as Shandong College of Oceanology) in the People's Republic of China in 1982 and an MBA from Peking University in July 2001. He graduated from China University of Political Science and Law with a master diploma in July 2005.

陳衛東先生，66歲，已獲委任為獨立非執行董事，自二零一八年六月起生效。陳先生於海洋石油及天然氣行業擁有逾30年經驗。彼指導並組織出版四本有關於石油經濟及地緣政治的著作。陳先生現為中國人民大學之客座教授、中國社會科學院研究生院能源安全中心之特約研究員、民德研究院院長及東帆石能源諮詢(北京)有限公司董事長。陳先生曾任職中海油能源經濟研究院首席能源研究員、中海油田服務股份有限公司(一家自二零零二年起在聯交所主板上市之H股公司，股份代號：2883)執行副總裁、董事會秘書兼首席戰略官。陳先生於一九八二年自中華人民共和國中國海洋大學(前稱山東海洋學院)取得地球物理勘探研究學士學位，並於二零零一年七月自北京大學取得工商管理碩士學位。彼於二零零五年七月畢業於中國政法大學，取得碩士文憑。

Mr. SUN Dongchang, aged 68, has been appointed as an independent non-executive Director of the Company since 12 November 2019. He is currently a professor-level senior engineer of Shengli Petroleum Administration Bureau (勝利石油管理局), oil field senior expert, expert on government special allowance of the State Council, senior expert of the Drilling Technology Institute, Shengli Petroleum Administration Bureau (勝利石油管理局鑽井工藝研究院), and consultant of State Oil Drilling and Exploitation Equipment and Tool Standardization Committee (全國石油鑽採設備和工具標準化委員會). He was the deputy secretary general of Chinese Society of Naval Architects and Marine Engineers during the period from 2003 to 2013. During the period from 2001 to 2013, he served as a professor-level senior engineer, the chief engineer, the vice president and an oil field senior expert at the Drilling Technology Institute, Shengli Petroleum Administration Bureau (勝利石油管理局鑽井工藝研究院). During the period from 1996 to 2001, he served as a senior engineer and the chief engineer at the Drilling Technology Institute, Shengli Petroleum Administration Bureau (勝利石油管理局鑽井工藝研究院). During the period from 1987 to 1996, he worked as an engineer, senior engineer and the director at the Marine Research Branch of Drilling Technology Institute, Shengli Petroleum Administration Bureau (勝利石油管理局鑽井工藝研究院海洋所). During the period from 1975 to 1987, he worked as a technician, assistant engineer and the deputy director at the Shallow Sea Office of Drilling Technology Institute, Shengli Petroleum Administration Bureau (勝利石油管理局鑽井工藝研究院淺海室). Mr. Sun holds a degree majoring in oil field equipment from Department of Mechanics, China University of Petroleum and a master's degree in naval architecture and ocean engineering from Shanghai Jiao Tong University.

孫東昌先生，68歲，自二零一九年十一月十二日起獲委任為本公司獨立非執行董事。孫先生現為勝利石油管理局教授級高級工程師、油田高級專家、國務院政府特殊津貼專家，勝利石油管理局鑽井工藝研究院高級專家及全國石油鑽採設備和工具標準化委員會顧問。自二零零三年起至二零一三年間，彼曾擔任中國造船工程學會副秘書長。自二零零一年起至二零一三年間，彼曾擔任勝利石油管理局鑽井工藝研究院教授級高工、總工、副院長及油田高級專家。自一九九六年起至二零零一年間，彼曾任職於勝利石油管理局鑽井工藝研究院高工及總工程師。自一九八七年起至一九九六年間，彼曾任職於勝利石油管理局鑽井工藝研究院海洋所工程師，高工及所長。自一九七五年起至一九八七年間，彼曾任職於勝利石油管理局鑽井工藝研究院淺海室技術員，助工及副主任。孫先生擁有中國石油大學機械系石油礦場機械專業學位及上海交通大學船舶與海洋工程碩士學位。

PROFILES OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

Senior Management

高級管理層

Mr. JIANG Bing Hua, aged 71, is the Chief Executive Officer of the Company from 26 January 2022. He is a co-founder of the Company. He was the Co-Chairman of the Company. He has been appointed as an executive Director of the Company since 18 March 2005 and is responsible for the Company's overall strategy planning and business development. He obtained his bachelor's degree in offshore structure engineering from Tianjin University (天津大學) in the PRC in 1980 and acquired his master's degree in business administration from University of Dallas in the U.S.A. in 1993. He has 44 years of experience in the oil and gas industry. Prior to founding the Company, he worked for the Sinopec Group, the China National Petroleum Corporation and China National Offshore Oil Corporation in various positions such as driller, drilling superintendent, drilling manager, operation manager and company representative.

蔣秉華先生，71歲，於二零二二年一月二十六日起為本公司首席執行官。彼為本公司聯合創辦人。彼曾任本公司聯席主席。彼自二零零五年三月十八日起獲委任為本公司執行董事，負責本公司的整體策略性規劃及業務發展。彼於一九八零年於中國天津大學取得海上結構工程學士學位，並於一九九三年於美國達拉斯大學取得工商管理碩士學位。彼在石油及天然氣業擁有44年經驗。創立本公司之前，彼曾於中國石化集團、中國石油集團及中國海洋石油總公司擔任不同職務，如鑽探員、鑽探監督、鑽探經理、營運經理及公司代表。

Mr. ZHANG Menggui, Morgan, aged 63, is a co-founder of the Company and has been appointed as an executive Director since 18 March 2005. He obtained his bachelor's degree majoring in drilling engineering from China University of Petroleum in 1982 and acquired his master's degree in petroleum engineering from University of Alaska-Fairbanks in the U.S.A. in 1989 and he received an EMBA from China Europe International Business School in 2012. He has 35 years of experience in the oil and gas industry. Prior to founding the Company, he worked for a subsidiary of China National Petroleum Corporation in China and for Cook Inlet Region Inc. in Alaska. He is currently a member of several oil industry associations and professional organizations including the Society of Petroleum Engineers and the American Drilling Engineers.

張夢桂先生，63歲，為本公司聯合創辦人，自二零零五年三月十八日起獲委任為執行董事。彼於一九八二年在中國石油大學取得學士學位，主修鑽探工程，並於一九八九年於美國University of Alaska-Fairbanks取得石油工程碩士學位及於二零一二年於中歐國際工商學院取得EMBA。彼在石油及天然氣業擁有35年經驗。創立本公司之前，彼曾任職於中國石油天然氣集團公司於中國的附屬公司及阿拉斯加Cook Inlet Region Inc.。彼現為數個石油業協會及專業組織的會員，包括石油工程師協會及美國鑽井工程師協會。

Mr. WANG Yong, aged 58, has been the President of the Company with effect from 28 April 2016. He is responsible for the daily operations and business activities of the Company. He is also the director and chief executive officer of a subsidiary, OIM Pte. Ltd. He joined the Company in April 2012 as the senior Company Vice President and Company Chief Operation Officer. Prior to joining the Company, he was the general manager for Weatherford International China. In his 17 years with Weatherford International, he held several managerial roles including global business alignment manager and business development manager. He started his career in the oil industry as a drilling engineer for China National Petroleum Corporation after graduating from the China Petroleum University in 1982. He also spent five years in the China Petroleum University teaching drilling engineering courses before completing his first master's degree in petroleum engineering from the Louisiana State University in 1993. He also holds an EMBA from the China Europe International Business School.

王勇先生，58歲，自二零一六年四月二十八日起為本公司總裁。彼負責本公司日常營運及業務運作。彼亦為附屬公司OIM Pte. Ltd.之董事兼首席執行官。彼於二零一二年四月加入本公司，擔任高級公司副總裁及公司首席營運官。加入本公司之前，彼為Weatherford International China之總經理。彼在Weatherford International過去17年期間，曾擔任多個管理職務，包括全球業務整合經理及業務發展經理。彼於一九八二年於中國石油大學畢業後擔任中國石油天然氣集團公司之鑽探工程師，開始其在石油行業之職業生涯。彼亦於中國石油大學教授五年鑽探工程課程，之後於一九九三年於美國劉易斯安那州立大學獲得其第一個石油工程碩士學位。彼亦於中國中歐國際工商學院取得EMBA。

PROFILES OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

Mr. XIE Shaohua, aged 50, has been appointed as Chief Financial Officer of the Company with effect from 1 July 2018. Mr. Xie graduated from Central University of Finance and Economics with a bachelor's degree in Economics and received a bachelor's degree in Economics at the University of International Business and Economics and a master's degree in Business and Administration at the Chinese University of Hong Kong. Mr. Xie is a Chinese senior accountant and a member of the Association of Chartered Certified Accountants. From November 2002 to May 2007, he served as the deputy general manager of the finance department of Sinotrans Limited (H shares stock code: 00598). From September 2007 to June 2018, he was appointed as deputy general manager and chief financial officer of Sinotrans Shipping limited (stock code: 00368).

謝少華先生，50歲，自二零一八年七月一日起獲委任為本公司首席財務官。謝先生持有中央財經大學經濟學士，對外經濟貿易大學經濟學士和香港中文大學工商管理碩士學位。謝先生為中國高級會計師和英國特許公認會計師公會會員。二零零二年十一月至二零零七年五月，彼擔任中國外運股份有限公司(H股股票編號：00598)財務部副總經理。二零零七年九月至二零一八年六月，彼獲委任為中外運航運有限公司(股票編號：00368)副總經理兼財務總監。

Mr. CHEN Yunqiang, aged 55, has served as the chief executive officer of TSC (China) since 2005 and has been appointed as the Vice President of the Company with effect from 15 February 2020. Mr. Chen is also fully in charge of the Group's operations in the PRC and is responsible for the sales and promotion of the Group's products in the PRC market. Mr. Chen studied industrial enterprise management at the Hangzhou University of Electronic Science and Technology (杭州電子科技大學). Mr. Chen joined the Group in August 2001 as a general manager of HHCT, a subsidiary of the Group, in Xi'an, China till 2005. Prior to joining the Group, Mr. Chen worked at Xi'an Petroleum Exploration Instrument Complex (西安石油勘探儀器總廠) for 14 years in various positions, including assistant factory head, supervisor of electric driven production lines and manager of its sales branch for drilling rigs.

陳蘊強先生，55歲，從二零零五年至今，為TSC(中國區)行政總裁，同時自二零二零年二月十五日起獲委任為本公司副總裁。陳先生亦全面主管本集團中國區業務，負責本集團產品在中國市場的銷售及推廣。陳先生於杭州電子科技大學修讀工業企業管理。陳先生於二零零一年八月加入本集團，並一直出任本集團於中國西安的附屬公司HHCT總經理一職到二零零五年。加入本集團之前，陳先生於西安石油勘探儀器總廠任職14年，擔任不同職務，包括助理工廠主管，電動生產線主管及其於鑽機的銷售分公司經理。

Mr. HUAI Zengmin, aged 49, has been appointed as the Vice President of the Company with effect from 26 January 2022. He is also the Chief Executive Officer of a subsidiary of the Company, China Merchant Green Hydrogen Technology Co., Ltd, and is in full charge of hydrogen business of the Company. Mr. HUAI graduated from Tiangong University with a master's degree in management in 2000. Mr. HUAI is a fellowship member (FCCA) of Association of Chartered Certified Accountants. Mr. HUAI joined the Company in December 2009 and has successively served as CEO Assistant of the Group, Deputy General Manager of China Region, and General Manager of Operation Management Department of the Group. Prior to joining the Company, Mr. HUAI served in the oil & gas and offshore engineering industry for 24 years, and successively held various positions in technology and sales in CSSC Tianjin Xingang Shipbuilding Industry Co., Ltd., Hong Kong Tecway and Convertteam.

淮增民先生，49歲，自二零二二年一月二十六日起獲委任為本公司副總裁，兼任本公司下屬公司華商氫能技術(青島)有限公司首席執行官，負責本公司氫能相關業務。淮先生於二零零零年畢業於天津工業大學，取得企業管理碩士學位。淮先生為英國特許公認會計師公會資深會員(FCCA)。淮先生於二零零九年十二月加入本公司，先後擔任集團CEO助理、中國區副總經理、集團企業運營管理部總經理等職位。加入本公司之前，淮先生在油氣和海洋工程行業工作二十四年，先後在中船天津新港船舶重工公司、香港德煒、科孚德機電公司擔任技術和銷售等不同職位。

REPORT OF THE DIRECTORS

董事會報告書

The Board hereby presents its report and the audited financial statements of the Group for the year ended 31 December 2021 (the “Year”).

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. Details of the principal activities of the subsidiaries are set out in note 12 to the financial statements. There were no significant changes in the nature of the Group’s principal activities during the Year. It will expand to the offshore management and operation business continuously.

RESULTS AND DIVIDENDS

The Company’s results for the Year is set out in the financial statements on pages 122 to 226.

The Directors do not recommend the payment of any dividends for the Year.

DIVIDEND POLICY

A dividend policy is adopted by the Company which sets out the principles to be followed for paying dividends to the shareholders of the Company. When considering to make dividend payments, the Board shall take into account factors including but not limited to the Company’s financial results, general business conditions and strategies, and statutory and regulatory restrictions. There is no assurance that dividends will be declared or distributed in any particular amount or in any form for each year or in any year.

FINANCIAL SUMMARY

A summary of the published results and assets and liabilities of the Group for the five financial years ended 31 December 2021, are extracted from the audited financial statements of the relevant annual reports of the Company, and are set out on pages 8 to 9. This summary does not form part of the audited financial statements of the Group for the Year.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE POLICIES

CMIC considers a high degree of social responsibility, environmental protection, safety and sustainable economy as key factors in ensuring business continuity and success. The Company has introduced effective tools to ensure full implementation of social, safety and environmental policies within the Company to ensure compliance with the relevant legal and regulatory requirements as described in Appendix 27 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Details of the Company’s ESG performance for the Year can be found in “Environmental, Social and Governance Report” as set out on pages 81 to 111 of this annual report.

董事會謹此提呈截至二零二一年十二月三十一日止年度（「本年度」）的董事會報告及本集團經審核財務報表。

主要業務

本公司主要業務為投資控股。附屬公司的主要業務詳列於財務報表附註12。本公司的主要業務性質於本年度內並無重大改變，未來將繼續向海工資產管理運營業務擴展。

業績及股息

本公司本年度的業績載於財務報表第122頁至226頁。

董事不建議就本年度派付任何股息。

股息政策

本公司已採納股息政策，該政策制訂向本公司股東派付股息時須遵循的原則。董事會於考慮派付股息時將考慮下列因素，包括但不限於本公司的財務業績、整體業務狀況及策略，以及法定及監管限制。本公司概不保證將於各年度或任何年度宣派或分派任何特定金額或任何形式的股息。

財務概要

摘錄自本公司有關年報經審核財務報表，本集團截至二零二一年十二月三十一日止五個財政年度已刊發業績以及資產負債概要載於第8頁至9頁。此概要並不構成本集團本年度經審核財務報表的一部分。

環境、社會及管治政策

華商國際認為高水平之社會責任、環境保護、安全及可持續經濟乃確保業務持續發展及成功之要素。本公司已採取有效之工具以確保本公司全面實施社會、安全及環境政策，從而確保遵守香港聯合交易所有限公司證券上市規則附錄二十七所述之相關法律及監管規定。

有關本公司於本年度之環境、社會及管治表現詳情，請參閱本年報第81頁至111頁所載之「環境、社會及管治報告」。

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Company during the Year are set out in note 10 to the financial statements.

SHARE CAPITAL AND SHARE AWARDS

The movements in the Company's authorised and issued share capital during the Year are set out in note 28(b) to the financial statements. Details of the Company's Share Award Schemes are set out in note 27 to the financial statements.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's articles of association ("Articles") or the laws of the Cayman Islands, being the jurisdiction in which the Company was incorporated, which would oblige the Company to offer new shares on a pro rata basis to existing shareholders.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

During the Year, neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities, except that the trustee of the Share Award Plan, pursuant to the terms of the rules and trust deed of the Share Award Plan 2, purchased on the Stock Exchange a total number of 3,040,000 Shares at a total consideration of about HK\$1,150,000.

Subsequent to 31 December 2021, pursuant to the terms of the rules and trust deed of the Share Award Plan 1 and 2, the trustee of the Share Award Plan 1 and 2 did not purchase any Shares on the Stock Exchange. As at the date of this report, the trustee held a total 70,499,000 shares (representing approximately 2.17% of the issued share capital of the Company) under the Share Award Plan 1 and 2.

物業、廠房及設備

本公司物業、廠房及設備於本年度的變動詳情載於財務報表附註10。

股本及股份獎勵

於本年度，本公司法定及已發行股本的變動載於財務報表附註28(b)。本公司的股份獎勵計劃詳情載於財務報表附註27。

優先購買權

本公司組織章程細則(「細則」)或開曼群島(本公司於此司法權區註冊成立)法律並無有關優先購買權的條文，規定本公司須按比例向現有股東發售新股。

購買、贖回或出售本公司之上市證券

於本年度，本公司或其任何附屬公司概無購買、贖回或出售任何本公司上市證券。股份獎勵計劃的受託人根據股份獎勵計劃2的規則條款及信託契據於聯交所購買合共3,040,000股股份，總代價約為1,150,000港元。

繼二零二一年十二月三十一日之後，根據股份獎勵計劃1和2的規則條款及信託契約，股份獎勵計劃1和2的受託人於聯交所沒有購買股份。於本報告日期，受託人根據股份獎勵計劃1和2共持有70,499,000股股份(佔本公司已發行股本之約2.17%)。

REPORT OF THE DIRECTORS

董事會報告書

RESERVES

Details of movements in the reserves of the Company during the Year are set out in note 28(a) to the financial statements and in the consolidated statement of changes in equity on page 126, respectively.

DISTRIBUTABLE RESERVES

The Company's reserves available for distribution to equity shareholders of the Company as at 31 December 2021, as computed in accordance with the Companies Law (Revised) of the Cayman Islands, amounted to US\$86,719,000 (2020: US\$92,073,000).

MAJOR CUSTOMERS AND SUPPLIERS

In the Year, sales to the Company's five largest customers accounted for approximately 45% of the Company's total sales for the Year and sales to the largest customer included therein accounted for approximately 17% of the Company's total sales.

Purchases from the Company's five largest suppliers accounted for approximately 37% of the Company's total purchases for the Year and purchases from the largest supplier included therein accounted for approximately 14% of the Company's total purchases.

None of the Directors, or any of their associates or any shareholders (which, to the best knowledge of the Directors, own more than 5% of the Company's issued share capital), had any beneficial interest in the Company's five largest customers or suppliers.

DONATIONS

During the Year, the Company did not make any donations.

DIRECTORS

The Directors who held office during the Year and up to the date of this annual report were:

EXECUTIVE DIRECTORS:

Mr. JIANG Bing Hua (ceased to act as Co-Chairman and appointed as Chief Executive Officer on 26 January 2022)
Mr. ZHANG Menggui, Morgan
Mr. CONG Yongjian (Chief Executive Officer)
(resigned on 19 July 2021)

NON-EXECUTIVE DIRECTORS:

Mr. WANG Jianzhong
Mr. LOU Dongyang (Chairman)
Ms. FU Rui
Mr. LIU Jiancheng (appointed on 23 September 2021)
Mr. HUANG Jin (appointed on 23 September 2021)
Mr. QIAN Zewei (resigned on 15 April 2021)
Mr. REN Zhiqiang
(appointed on 15 April 2021 and resigned on 19 July 2021)

儲備

本公司儲備於本年度的變動詳情分別載於財務報表附註28(a)及第126頁的綜合權益變動表。

可供分派儲備

於二零二一年十二月三十一日，根據開曼群島公司法(經修訂)計算，本公司可供向本公司股權股東作分派的儲備為86,719,000美元(二零二零年：92,073,000美元)。

主要客戶與供貨商

於本年度，本公司五大客戶的銷售額佔本公司本年度的總銷售額約45%，其中本公司最大客戶的銷售額則佔本公司總銷售額約17%。

本公司五大供貨商的購貨額佔本公司本年度的總購貨額約37%，其中本公司最大供貨商的購貨額則佔本公司總購貨額約14%。

董事或彼等任何聯繫人或就董事所深知擁有本公司已發行股本5%以上的任何股東，概無擁有本公司五大客戶或五大供貨商的任何實益權益。

捐款

於本年度，本公司並無作出任何捐款。

董事

於本年度及截至本年報日期為止，在任董事如下：

執行董事：

蔣秉華先生(於二零二二年一月二十六日不再擔任
聯席主席及獲委任為首席執行官)
張夢桂先生
叢永儉先生(首席執行官)
(於二零二一年七月十九日辭任)

非執行董事：

王建中先生
婁東陽先生(主席)
傅銳女士
劉建成先生(於二零二一年九月二十三日獲委任)
黃晉先生(於二零二一年九月二十三日獲委任)
錢澤偉先生(於二零二一年四月十五日辭任)
任志強先生(於二零二一年四月十五日獲委任及
於二零二一年七月十九日辭任)

INDEPENDENT NON-EXECUTIVE DIRECTORS:

Mr. CHAN Ngai Sang, Kenny
Mr. ZOU Zhendong
Mr. CHEN Weidong
Mr. SUN Dongchang

Mr. Cong Yongjian resigned as an executive Director and the chief executive officer of the Company; and Mr. Ren Zhiqiang resigned as a non-executive Director of the Company due to re-designation of duties following the change in shareholding in the Company. Besides, Mr. Qian Zewei resigned as a non-executive Director of the Company due to his other work commitments.

In accordance with Article 86 and Article 87 of the Company's articles of association, Mr. Jiang Bin Hua, Ms. Fu Rui, Mr. Liu Jiancheng, Mr. Huang Jin and Mr. Chan Ngai Sang, Kenny will retire by rotation and, being eligible, offer themselves for re-election at the forthcoming annual general meeting.

DIRECTORS' SERVICE CONTRACTS

Mr. Jiang Bing Hua has entered into an appointment contract with the Company for a term of three years commencing from 28 November 2005 and expiring on 27 November 2008, renewable automatically for successive terms of three years from 28 November 2008, 28 November 2011, 28 November 2014, 28 November 2017 and 28 November 2020 respectively, unless terminated by either party giving to the other not less than three months' prior written notice. Mr. Jiang is entitled to an annual remuneration of US\$313,000 for the position of executive Director, and will not receive additional remuneration for the position of Chief Executive Officer. Mr. Jiang is entitled to variable remuneration comprising of ex-gratia annual bonus, which is subject to his performance and the performance of the Company and the approval of the Remuneration Committee.

Mr. Zhang Menggui, Morgan has entered into an appointment contract with the Company for a term of three years commencing on 22 June 2020, subject to retirement by rotation and re-election in accordance with the Articles of Association, unless and until terminated by not less than three months' prior notice in writing served by either party to the other. Mr. Zhang is entitled to an annual remuneration of US\$313,000. Mr. Zhang is entitled to variable remuneration comprising of ex-gratia annual bonus, which is subject to his performance and the performance of the Company and the approval of the Remuneration Committee.

Mr. Wang Jianzhong has entered into an appointment contract with the Company for a term of three years commencing from 4 July 2016 and expiring on 3 July 2019, renewable automatically for successive terms of three years from 4 July 2019, subject to retirement by rotation and re-election in accordance with the Articles of Association, unless terminated by giving either party to the other not less than three months' prior written notice. Mr. Wang is entitled to receive emoluments of HK\$120,000 per annum.

獨立非執行董事：

陳毅生先生
鄒振東先生
陳衛東先生
孫東昌先生

因本公司股權變更後的職務調配，叢永儉先生辭任本公司執行董事及首席執行官；及任志強先生辭任本公司非執行董事。此外，錢澤偉先生因其他工作承擔而辭任本公司非執行董事職務。

按照本公司組織章程細則第86條及第87條，蔣秉華先生、傅銳女士、劉建成先生、黃晉先生及陳毅生先生均會於應屆股東週年大會上輪值告退，惟合資格並願意於應屆股東週年大會上膺選連任。

董事的服務合約

蔣秉華先生已與本公司訂立委任合同，自二零零五年十一月二十八日起至二零零八年十一月二十七日屆滿，為期三年，分別自二零零八年十一月二十八日、二零一一年十一月二十八日、二零一四年十一月二十八日、二零一七年十一月二十八日及二零二零年十一月二十八日起可自動續期三年，除非其中一方向另一方發出不少於三個月的事先書面通知予以終止。蔣先生有權就執行董事職務獲發年度酬金313,000美元，以及彼就首席執行官職務不會收取額外年度酬金。蔣先生有權收取浮動薪酬，包括特惠年度花紅，惟視乎其表現及本公司的表現而定，並須待薪酬委員會批准後方告作實。

張夢桂先生已與本公司訂立委任合同，自二零二零年六月二十二日起計為期三年，並須根據組織章程細則輪值告退及重選連任，除非及直至其中一方向另一方發出不少於三個月的事先書面通知予以終止。張先生有權獲發年度酬金313,000美元。張先生有權收取浮動薪酬，包括特惠年度花紅，惟視乎其表現及本公司的表現而定，並須待薪酬委員會批准後方告作實。

王建中先生已與本公司訂立委任合同，自二零一六年七月四日起至二零一九年七月三日止為期三年及自二零一九年七月四日起可自動續期三年，並須根據組織章程細則輪值告退及重選連任，除非其中一方向另一方發出不少於三個月的事先書面通知予以終止。王先生有權收取酬金每年120,000港元。

REPORT OF THE DIRECTORS

董事會報告書

DIRECTORS' SERVICE CONTRACTS (Continued)

Mr. Lou Dongyang has entered into an appointment contract with the Company for a term of three years commencing from 1 April 2018 and expiring on 31 March 2021, renewable automatically for successive terms of three years from 1 April 2021, subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association, unless terminated by giving either party to the other not less than three months' prior written notice. Mr. Lou has waived entitlement to annual remuneration.

Ms. Fu Rui has entered into an appointment contract with the Company for a term of three years commencing from 1 June 2019 and expiring on 31 May 2022, subject to retirement by rotation and re-election in accordance with the Articles of Association, unless terminated by giving either party to the other not less than three months' prior written notice. Ms. Fu Rui has waived entitlement to annual remuneration.

Mr. Liu Jiancheng has entered into an appointment contract with the Company for a term of three years commencing from 23 September 2021 and expiring on 22 September 2024 subject to retirement by rotation and re-election in accordance with the Articles of Association, unless terminated by giving either party to the other not less than three months' prior written notice. Mr. Liu Jiancheng has waived entitlement to annual remuneration.

Mr. Huang Jin has entered into an appointment contract with the Company for a term of three years commencing from 23 September 2021 and expiring on 22 September 2024 subject to retirement by rotation and re-election in accordance with the Articles of Association, unless terminated by giving either party to the other not less than three months' prior written notice. Mr. Huang Jin has waived entitlement to annual remuneration.

Mr. Chan Ngai Sang, Kenny has entered into an appointment contract with the Company for a term of three years commencing from 20 October 2005 and expiring on 19 October 2008, renewable automatically for successive terms of three years from 20 October 2008, 20 October 2011, 20 October 2014, 20 October 2017 and 20 October 2020 respectively, subject to retirement by rotation and re-election in accordance with the Articles of Association, unless terminated by giving either party to the other not less than one month's prior written notice. Mr. Chan Ngai Sang Kenny is entitled to receive annual emoluments of HK\$120,000.

Mr. Zou Zhendong has entered into an appointment contract with the Company for a term of three years commencing from 18 May 2018 and expiring on 17 May 2021, renewable automatically for successive terms of three years from 18 May 2021, subject to retirement by rotation and re-election in accordance with the Articles of Association, unless terminated by giving either party to the other not less than three months' prior written notice. Mr. Zou Zhendong is entitled to an annual remuneration of HK\$120,000.

董事的服務合約(續)

婁東陽先生已與本公司訂立委任合同，自二零一八年四月一日起至二零二一年三月三十一日止為期三年及自二零二一年四月一日起可自動續期三年，並須根據組織章程細則於本公司股東週年大會上輪值告退及重選連任，除非其中一方向另一方發出不少於三個月的事先書面通知予以終止。婁先生已放棄獲發年度酬金的權利。

傅銳女士已與本公司訂立委任合同，由二零一九年六月一日起至二零二二年五月三十一日屆滿，為期三年，並須根據組織章程細則輪值告退及重選連任，除非其中一方向另一方發出不少於三個月的事先書面通知予以終止。傅銳女士已放棄獲發年度酬金的權利。

劉建成先生已與本公司訂立委任合同，由二零二一年九月二十三日起至二零二四年九月二十二日屆滿，為期三年，並須根據組織章程細則輪值告退及重選連任，除非其中一方向另一方發出不少於三個月的事先書面通知予以終止。劉建成先生已放棄獲發年度酬金的權利。

黃晉先生已與本公司訂立委任合同，由二零二一年九月二十三日起至二零二四年九月二十二日屆滿，為期三年，並須根據組織章程細則輪值告退及重選連任，除非其中一方向另一方發出不少於三個月的事先書面通知予以終止。黃晉先生已放棄獲發年度酬金的權利。

陳毅生先生已與本公司訂立委任合同，由二零零五年十月二十日起至二零零八年十月十九日屆滿，為期三年，分別自二零零八年十月二十日、二零一一年十月二十日、二零一四年十月二十日、二零一七年十月二十日及二零二零年十月二十日起可自動續期三年，並須根據組織章程細則輪值告退及重選連任，除非其中一方向另一方發出不少於一個月的事先書面通知予以終止。陳毅生先生有權收取年度酬金120,000港元。

鄒振東先生已與本公司訂立委任合同，由二零一八年五月十八日起至二零二一年五月十七日屆滿，為期三年，自二零二一年五月十八日起可自動續期三年，並須根據組織章程細則輪值告退及重選連任，除非其中一方向另一方發出不少於三個月的事先書面通知予以終止。鄒振東先生有權收取年度酬金120,000港元。

DIRECTORS' SERVICE CONTRACTS (Continued)

Mr. Chen Weidong has entered into an appointment contract with the Company for a term of three years commencing from 5 June 2018 and expiring on 4 June 2021, renewable automatically for successive terms of three years from 5 June 2021, subject to retirement by rotation and re-election in accordance with the Articles of Association, unless terminated by either party giving to the other not less than three months' prior written notice. Mr. Chen Weidong is entitled to an annual remuneration of HK\$120,000.

Mr. Sun Dongchang has entered into an appointment contract with the Company for a term of three years commencing from 12 November 2019 and expiring on 11 November 2022, subject to retirement by rotation and re-election in accordance with the Articles of Association, unless terminated by either party giving to the other not less than three months' prior written notice. Mr. Sun Dongchang is entitled to an annual remuneration of HK\$120,000.

Except for Mr. Jiang Bing Hua and Mr. Zhang Menggui, no other Directors are entitled to any variable remuneration.

The Company confirms that it has received from each of its independent non-executive Directors a confirmation of his independence pursuant to Rule 3.13 of the Listing Rules and the Company considers the independent non-executive Directors to be independent.

None of the Directors has a service contract with the Company or any of its subsidiaries which is not determinable by the Company within one year without payment of compensation, other than statutory obligations.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the Year.

DIRECTORS' MATERIAL INTERESTS IN TRANSACTIONS, ARRANGEMENTS AND CONTRACTS

No transactions, arrangements and contracts of significance in relation to the Group's business to which the Company's subsidiaries, fellow subsidiaries or its parent companies was a party or were parties and in which a Director or his/her connected entities had a material interest, whether directly or indirectly, subsisted at the end of the Year under review or at any time during the Year.

董事的服務合約(續)

陳衛東先生已與本公司訂立委任合同，由二零一八年六月五日起至二零二一年六月四日屆滿，為期三年，自二零二一年六月五日起可自動續期三年，並須根據組織章程細則輪值告退及重選連任，除非其中一方向另一方發出不少於三個月的事先書面通知予以終止。陳衛東先生有權收取年度酬金120,000港元。

孫東昌先生已與本公司訂立委任合同，由二零一九年十一月十二日起至二零二二年十一月十一日屆滿，為期三年，並須根據組織章程細則輪值告退及重選連任，除非其中一方向另一方發出不少於三個月的事先書面通知予以終止。孫東昌先生有權收取年度酬金120,000港元。

除蔣秉華先生及張夢桂先生外，概無其他董事有權獲發任何浮動薪酬。

本公司確認各獨立非執行董事已根據上市規則第3.13條確認自身之獨立性，本公司亦認為獨立非執行董事之身分屬獨立。

董事概無與本公司或其任何附屬公司訂有本公司不能於一年內毋須支付補償(法定責任除外)而終止之服務合約。

管理合約

概無有關管理及經營本公司全部或任何重大部分業務的合約於本年度訂立或依然存續。

董事於交易、安排及合約中之重大權益

於回顧年度末或年內任何時間，本公司或其任何附屬公司、同系附屬公司或其母公司概無參與和董事或其關連實體直接或間接擁有重大權益，及與本公司業務有關之重要交易、安排及合約。

REPORT OF THE DIRECTORS

董事會報告書

DIRECTORS' PERMITTED INDEMNITIES

Under the Company's articles of association, every Director or other officer of the Company acting in relation to any of the affairs of the Company shall be entitled to be indemnified out of the assets of the Company against all costs, charges, expenses, losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto. A directors' and officers' liability insurance is in place to protect the directors and officers of the Company against any potential liability arising from the Company's activities which such directors and officers may be held liable.

BUSINESS REVIEW

Business Performance and Key Financial Indicators

Details of business performance and key financial indicators are set out in the "Management Discussion and Analysis" section of this annual report.

The key financial and business performance indicators comprise profitability growth, return on equity and gearing ratio. Details of the profitability analysis are shown in the "Management Discussion and Analysis" section of this annual report. The Company's return on equity, based on profit attributable to equity shareholders to total equity attributable to equity shareholders, decreased from 8.1% in previous year to 6.2% in the Year, which was mainly due to a year-on-year decrease in the amount of revenue and the tax related to sale of land. The Company's gearing ratio, calculated based on total liabilities to total assets, decreased from 41.2% in 2020 to 35.4% in the Year. The Company will continue to safeguard its capital adequacy position, whilst maintaining a balance between business growth and risk management.

A review of the business of the Company and its subsidiaries for the Year is set out in the sections "Chairmen's Statement" and "CEO's Statement", "Market Review" and "Management Discussion and Analysis" of this annual report.

Sustainability Initiatives

The Company is committed to contributing to the sustainability of the environment and maintaining a high standard of corporate social governance essential for creating a positive framework for motivating staff and promoting sustainable relationships with customers, suppliers, service vendors, regulators and shareholders, as well as contributing to the community in which we conduct our businesses for creating a sustainable return to the Company. The Company has implemented energy saving practices in offices and branch premises where applicable.

The Company has compliance and risk management policies and procedures, and members of the senior management are delegated with the continuing responsibility to monitor adherence to and compliance with applicable legal and regulatory requirements. These policies and procedures are reviewed regularly. As far as the Company is aware, it had complied in material aspects with the relevant laws and regulations that have a significant impact on the business and operation of the Group for the Year and up to the date of this annual report.

董事的獲准許彌償保證

根據本公司組織章程細則，就本公司任何事務而採取行動的每名本公司董事或其他高級人員，凡因執行職務或相關職責時而可能承擔或蒙受之所有成本、費用、開支、損失或負債，均可從本公司之資產中獲得彌償。本公司已投購董事及高級人員責任保險，以保障本公司董事及高級人員或須承擔來自本公司業務活動之任何潛在責任。

業務回顧

業績表現及重要財務指標

有關業績表現及重要財務指標的詳情已載於本年度報告「管理層討論與分析」章節。

重要財務及業績表現指標包括溢利增長、股本回報率及資產負債比率。有關溢利分析的詳情已載於本年度報告「管理層討論及分析」一節。本公司按股權股東應佔溢利除以股權股東應佔權益總額計算之股本回報率由去年8.1%降低至本年度6.2%，主要由於收入量較同期減少和涉及賣地所產生的稅款所致。本公司按總負債除以總資產計算之負債比率由二零二零年41.2%下跌至本年度35.4%。本公司將繼續保持充裕的資金狀況及維持業務增長及風險管理之間的平衡。

本公司及其附屬公司於本年度之業務回顧載於本年度報告「主席報告」及「首席執行官報告」、「市場回顧」及「管理層討論及分析」章節。

可持續發展計劃

本公司一直致力為環境的可持續發展作出貢獻以及維持高水平的企業社會管治，為鼓勵員工及促進與客戶、供貨商、服務供貨商、監管機構及股東保持可持續關係建立良好框架，同時亦在業務過程中為小區發展作出貢獻，從而為本公司持續帶來回報。本公司在適當情況下已於辦公室及分公司實施節能安排。

本公司設有合規及風險管理政策及程序，而高級管理層人員獲授權有責任持續監察符合相關法律及法規要求的情況。有關政策及程序將定期進行檢討。就本公司目前所知，本公司已於本年度及直至本年度報告之日期在重大方面已遵守能對本集團業務及營運構成重大影響的相關法律及法規。

BUSINESS REVIEW (Continued)

Sustainability Initiatives (Continued)

Further discussion and analysis of the Company's principal activities as required by Schedule 5 the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) ("Companies Ordinance") can be found in the Management Discussion and Analysis set out in pages 18 to 40 of this annual report. This discussion forms part of this Report of the Directors.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2021, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO"), as recorded in the register required to be kept by the Company pursuant to the required standard of dealings by the Directors as referred to in Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code"), were as follows:

Long Position in Ordinary Shares and Underlying Shares of the Company:

業務回顧(續)

可持續發展計劃(續)

按照公司條例(香港法例第622章)(「公司條例」)附表5規定所作出有關本公司主要業務之進一步討論及分析，載於本年報第18頁至40頁之管理層討論及分析。該討論構成本董事會報告之一部分。

董事及首席行政人員於股份、相關股份及債券中的權益及淡倉

於二零二一年十二月三十一日，董事及本公司首席行政人員於本公司或其相聯法團(定義見證券及期貨條例(香港法例第571章)(「證券及期貨條例」)第XV部)的股份、相關股份及債券中，擁有根據證券及期貨條例第352條所述董事進行交易的準則規定本公司須存置的登記冊所記錄的權益及淡倉，或根據上市發行人董事進行證券交易的標準守則(「標準守則」)規定已知會本公司及聯交所的權益及淡倉如下：

於本公司普通股及相關股份之好倉：

Number of issued ordinary shares of
HK\$0.10 each in the Company
本公司每股面值0.10港元的已發行普通股數目

Name of Directors 董事姓名	Personal interests 個人權益	Family interests 家族權益	Corporate interests 公司權益	Other interests 其他權益	Total 總計	Approximate percentage of the Company's issued share capital (Note 1) 佔本公司已發行股本概約百分比 (附註1)
Mr. Zhang Menggui, Morgan 張夢桂先生	65,979,100	—	—	—	65,979,100	2.03%
Mr. Jiang Bing Hua 蔣秉華先生	26,965,240	—	—	—	26,965,240	0.83%
Mr. Chan Ngai Sang, Kenny 陳毅生先生	500,000	—	—	—	500,000	0.02%

Note:

1. The percentage is calculated on the basis of 3,243,433,914 shares in issue as at 31 December 2021.

附註:

1. 該百分比乃根據於二零二一年十二月三十一日已發行之3,243,433,914股股份計算。

REPORT OF THE DIRECTORS

董事會報告書

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES (Continued)

Long Position in Ordinary Shares and Underlying Shares of the Company: (Continued)

Save as disclosed above, as at 31 December 2021, none of the Directors or chief executives of the Company had registered an interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations that was required to be recorded pursuant to the required standard of dealings by the Directors as referred to in Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

Directors' Rights to Acquire Shares

Save as disclosed under the paragraph headed "Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures" above, the paragraphs headed "Share Award Plans" and "Share Award Incentive Scheme" contained in the "Management Discussion and Analysis" section of this annual report and note 27 to the financial statements, at no time during the Year, any rights to acquire benefits by means of the acquisition of shares in or debentures of the Company was granted to any Director or their respective spouse or minor children, or were any such rights exercised by them; or was the Company, its holding company, or any of its subsidiaries and fellow subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

董事及首席行政人員於股份、相關股份及債券中的權益及淡倉(續)

於本公司普通股及相關股份之好倉：(續)

除上文披露者外，於二零二一年十二月三十一日，概無董事或本公司首席行政人員於本公司或其任何相聯法團的股份、相關股份或債券中，擁有根據證券及期貨條例第352條所述董事進行交易的準則規定須記入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。

董事購買股份的權利

除上文「董事及首席行政人員於股份、相關股份及債券中的權益及淡倉」一段披露者，載於本年度報告「管理層討論及分析」一節「股份獎勵計劃」及「股份獎勵激勵計劃」各段及財務報表附註27的披露資料外，於本年度任何時間，任何董事或彼等各自的配偶或未成年子女概無獲授或行使可藉購買本公司股份或債券而獲益的權利，而本公司、其控股公司或其任何附屬公司及同系附屬公司亦無參與任何安排，致使董事可獲取任何其他法團的該等權利。

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 December 2021, the following persons had interests or short positions in the shares and underlying shares of the Company which is required to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO and has been recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO:

主要股東及其他人士於股份及相關股份中的權益及淡倉

於二零二一年十二月三十一日，以下人士於本公司股份及相關股份中，擁有根據《證券及期貨條例》第XV部第2及3分部須向本公司披露並已根據證券及期貨條例第336條須記入本公司登記冊的權益或淡倉：

Name of Shareholders	Capacity and nature of interest	Number of shares	Approximate percentage of the shareholding (Note 4)
股東姓名／名稱	身份及權益性質	股份數目	持股概約百分比 (附註4)
China Merchants Group Limited (Note 1) ("CM Group") 招商局集團有限公司(附註1)(「招商局集團」)	Corporate 公司	1,530,372,000	47.18
China Merchants Steam Navigation Company Limited (Note 1) ("CM Steam Navigation") 招商局輪船股份有限公司(附註1)(「招商局輪船」)	Corporate 公司	1,530,372,000	47.18
China Merchants Industry Holdings Co., Ltd (Note 1) ("CM Industry") 招商局工業集團有限公司(附註1)(「招商局工業」)	Corporate 公司	1,530,372,000	47.18
China Merchants Great Wall GP Limited (Note 1) ("Fund GP") 招商長城合夥人有限公司(附註1)(「基金普通合夥人」)	Corporate 公司	1,530,372,000	47.18
China Merchants & Great Wall Ocean Strategy & Technology Fund (L.P.) (Note 1) ("Fund LP") 招商局長城海洋科技戰略發展產業基金(附註1)(「基金有限合夥人」)	Corporate 公司	1,530,372,000	47.18
Prime Force Investment Corporation (Note 1) ("Prime Force") Prime Force Investment Corporation (附註1)(「Prime Force」)	Beneficial Owner 實益擁有人	1,530,372,000	47.18
Minyun Limited Minyun Limited	Beneficial Owner 實益擁有人	284,751,000	8.78
China International Marine Containers (Group) Co., Ltd. (Note 2) ("CMIC Group") 中國國際海運集裝箱(集團)股份有限公司(附註2)(「中集集團」)	Corporate 公司	185,600,000	5.72
China International Marine Containers (Hong Kong) Ltd. (Note 2) ("CMIC HK") 中國國際海運集裝箱(香港)有限公司(附註2)(「中集香港」)	Beneficial Owner 實益擁有人	185,600,000	5.72
China State Shipbuilding Corporation Limited (Note 3) ("CSSC") 中國船舶集團有限公司(附註3)(「中船集團」)	Corporate 公司	174,394,797	5.38
CSSC Huangpu Wenchong Shipbuilding Company Limited (Note 3) ("Huangpu Shipbuilding") 中船黃埔文沖船舶有限公司(附註3)(「黃埔船廠」)	Corporate 公司	174,394,797	5.38
Wah Shun International Marine Limited (Note 3) ("Wah Shun") 華順國際船舶有限公司(附註3)(「華順」)	Beneficial Owner 實益擁有人	174,394,797	5.38

REPORT OF THE DIRECTORS

董事會報告書

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES (Continued)

Notes:

1. Prime Force is a company incorporated in the British Virgin Islands and is wholly-owned by Fund LP and Fund LP is therefore deemed to be interested in the 1,530,372,000 shares that Prime Force is interested in under Part XV of the SFO.

Fund GP is the general partner of Fund LP and is therefore deemed to be interested in the 1,530,372,000 shares that Fund LP are interested in under Part XV of the SFO.

CM Industry holds 99.96% of the equity interest in Fund LP, and is a wholly owned subsidiary of CM Steam Navigation which is a wholly owned subsidiary of China Merchants Group Limited (招商局集團有限公司) ("CM Group"). CM Steam Navigation and CM Group are deemed to be interested in the 1,530,372,000 shares that Fund GP is interested in under Part XV of the SFO.

2. CIMC Group holds the entire issued share capital of CIMC HK. Therefore, CIMC Group is deemed to be interested in the 185,600,000 shares held by CIMC HK under Part XV of the SFO.
3. CSSC holds 35.5% of equity interest of CSSC Offshore & Marine Engineering (Group) Company Limited (中船海洋與防務裝備股份有限公司), which in turn holds 54.54% of equity interest of Huangpu Shipbuilding. CSSC also holds directly 14.48% of equity interest of Huangpu Shipbuilding, which directly holds 99% of issued shares of Wah Shun. Therefore, CSSC and Huangpu Shipbuilding are deemed to be interested in the 174,394,797 shares held by Wah Shun under Part XV of the SFO.
4. The percentage is calculated on the basis of 3,243,433,914 shares in issue as at 31 December 2021.

Save as disclosed above, as at 31 December 2021, there was no person (other than the Directors and chief executives of the Company whose interests are set out under the paragraph headed "Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures" above) had an interest or short position in the shares or underlying shares of the Company as recorded in the register to be kept under Section 336 of the SFO.

主要股東及其他人士於股份及相關股份中的權益及淡倉(續)

附註：

1. Prime Force為一間於英屬處女群島註冊成立之公司，並由基金有限合夥人全資擁有。因此，根據證券及期貨條例第XV部，基金有限合夥人被視為於Prime Force擁有權益之1,530,372,000股股份中擁有權益。

基金普通合夥人為基金有限合夥人之普通合夥，因此，根據證券及期貨條例第XV部，其被視為於基金有限合夥人擁有權益之1,530,372,000股股份中擁有權益。

招商局工業持有基金有限合夥人99.96%之權益，並為招商局輪船之全資附屬公司。而招商局輪船為招商局集團有限公司(「招商局集團」)之全資附屬公司。根據證券及期貨條例第XV部，招商局輪船及招商局集團各自被視為於基金普通合夥人擁有權益之1,530,372,000股股份中擁有權益。

2. 中集集團持有中集香港的全部已發行股本。因此，根據證券及期貨條例第XV部，中集集團被視為於由中集香港持有之185,600,000股股份中擁有權益。
3. 中船集團持有中船海洋與防務裝備股份有限公司35.5%股本權益，而中船海洋與防務裝備股份有限公司持有黃埔船廠54.54%股本權益。中船集團亦直接持有黃埔船廠14.48%股本權益，而黃埔船廠直接持有華順99%已發行股份。因此，根據證券及期貨條例第XV部，中船集團及黃埔船廠被視為於由華順持有之174,394,797股股份中擁有權益。
4. 百分比乃基於於二零二一年十二月三十一日已發行3,243,433,914股股份計算。

除上文披露者外，於二零二一年十二月三十一日，根據按照證券及期貨條例第336條存置之登記冊所記錄，概無任何人士(權益已於上文「董事及首席行政人員於股份、相關股份及債券中的權益及淡倉」一段載列的董事及本公司首席行政人員除外)於本公司的股份或相關股份中擁有權益或淡倉。

CONTINUING CONNECTED TRANSACTIONS

During the Year, the Group conducted certain transactions with connected persons which constituted continuing connected transactions under the Listing Rules. Particulars of these transactions are also set out in note 30(c) to the financial statements, with respect to which the Directors confirm that the Company has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules. Details of those transactions which are subject to the reporting requirements under Rule 14A.71 of the Listing Rules are summarised as follows:

Master Supply and Purchase Agreement

On 5 November 2020, the Company entered into a master supply and purchase agreement (the "Master S&P Agreement") with CM Industry, pursuant to which the Group will purchase structural parts and other components ("Structural Parts Procurement") from and sell equipment used on offshore platforms etc. (together with installation and ancillary services) ("Products Sales") to the CM Industry and its subsidiaries, other than the Group, effective from the commencement date to 31 December 2022.

As Fund LP is interested in 1,530,372,000 shares of the Company (representing approximately 47.18% of the issued share capital of the Company), it is therefore a controlling shareholder of the Company. CM Industry is ultimately wholly-owned by CM Group and Fund LP is indirectly controlled by CM Group. Therefore, CM Industry is an associate of CM Group and Fund LP and a connected person of the Company under the Listing Rules. As a result, the transactions constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

The annual caps under the Master S&P Agreement for each of the period/year ending 31 December 2020, 2021 and 2022 are US\$40 million, US\$100 million and US\$100 million, respectively, for the Products Sales and US\$5 million, US\$16 million and US\$16 million, respectively, for the Structural Parts Procurement. For the year ended 31 December 2021, the aggregate amount of the Products Sales and the Structural Parts Procurement under the Master S&P Agreement were approximately US\$1,157,000 and US\$Nil, respectively.

The Directors expect that the transactions will promote cooperation between both parties in the future and will expand the operational revenue, increase liquidity, reduce transaction costs effectively and increase net profit of the Group, thereby improving the performance of the Company during the countercyclical period of oil and gas industry, which is in line with the Company's long-term strategy to become a cost-competitive provider of integrated solutions for oil and gas drilling industry.

持續關連交易

年內，本集團與關連人士進行若干交易，該等交易根據上市規則構成持續關連交易。此等交易詳情亦載於財務報表附註30(c)。董事確認本公司已就此等交易遵守上市規則第14A章的披露要求。有關該等須遵守上市規則第14A.71條的申報規定的交易之詳情概述於下文：

總供應及採購協議

於二零二零年十一月五日，本公司與招商局工業訂立總供應及採購協議（「總供應及採購協議」），據此，本集團將向招商局工業及其附屬公司（本集團除外）採購結構性部件及其他零部件（「結構性部件採購」），並向其銷售海洋平台使用的設備等（連同安裝及配套服務）（「產品銷售」），自開始日期起至二零二二年十二月三十一日止生效。

由於基金有限合夥人於本公司1,530,372,000股股份（相當於本公司已發行股本約47.18%）中擁有權益，因此其為本公司的控股股東。招商局工業由招商局集團最終全資擁有，而基金有限合夥人由招商局集團間接控制。因此，根據上市規則，招商局工業為招商局集團及基金有限合夥人的聯繫人及本公司的關連人士。故此，根據上市規則第14A章，該等交易構成本公司的持續關連交易。

總供應及採購協議項下截至二零二零年、二零二一年及二零二二年十二月三十一日止各期間／年度的產品銷售年度上限分別為40百萬美元、100百萬美元及100百萬美元，而結構性部件採購年度上限分別為5百萬美元、16百萬美元及16百萬美元。截至二零二一年十二月三十一日止年度，根據總供應及採購協議進行的產品銷售及結構性部件採購的總金額分別為約1,157,000美元及零美元。

董事預期，該等交易日後將推動雙方合作，同時將在油氣行業逆週期時為本集團擴大營業收入，增加流動資金，有效降低交易成本及增加淨利潤，藉以提升本公司業績表現，符合本公司成為油氣鑽探行業綜合解決方案具成本競爭力供應商的長期策略。

REPORT OF THE DIRECTORS

董事會報告書

CONTINUING CONNECTED TRANSACTIONS

(Continued)

Master Supply and Purchase Agreement (Continued)

As one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of each of the Products Sales (including the annual caps) and the Structural Parts Procurement (including the annual caps) exceed 5% and HK\$10 million, each of the Products Sales (including the annual caps) and the Structural Parts Procurement (including the annual caps), constitute a continuing connected transaction for the Company and is subject to the reporting, announcement, independent shareholders' approval and annual review requirements under Chapter 14A of the Listing Rules. At the extraordinary general meeting of the Company held on 31 December 2020, the above transactions were approved by the independent shareholders.

Details of the above transactions are set out in the circular of the Company dated 15 December 2020.

Master Lease Framework Agreement

On 18 May 2021, the Company entered into a master lease framework agreement (the "Master Lease Framework Agreement") with CM Industry, pursuant to which the CM Industry and its subsidiaries ("CM Industry Group") have agreed to lease certain premises to the Group for a term commencing on 18 May 2021 and ending on 31 December 2023.

As Fund LP is interested in 1,530,372,000 shares of the Company (representing approximately 47.18% of the issued share capital of the Company), it is therefore a controlling shareholder of the Company. CM Industry is ultimately wholly-owned by CM Group and Fund LP is indirectly controlled by CM Group. Therefore, CM Industry is an associate of CM Group and Fund LP and a connected person of the Company under the Listing Rules. As a result, the transactions constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

The annual caps, which represent the total value of right-of-use assets relating to leases to be entered into by the Group in each year under the Master Lease Framework Agreement for each of the period/year ending 31 December 2021, 2022 and 2023 are HK\$10 million. For the year ended 31 December 2021, the actual transaction amounts were approximately HK\$2,625,000.

持續關連交易 (續)

總供應及採購協議 (續)

由於產品銷售(包括年度上限)及結構性部件採購(包括年度上限)各自的一項或多項適用百分比率(定義見上市規則第14.07條)超過5%及10百萬港元，故產品銷售(包括年度上限)及結構性部件採購(包括年度上限)各自構成本公司的持續關連交易，並須遵守上市規則第14A章項下的申報、公告、獨立股東批准及年度審閱規定。於二零二零年十二月三十一日舉行的本公司股東特別大會，上述交易已獲獨立股東批准。

上述交易詳情載於本公司日期為二零二零年十二月十五日的通函內。

總租賃框架協議

於二零二一年五月十八日，本公司與招商局工業訂立總租賃框架協議(「總租賃框架協議」)，據此，招商局工業及其附屬公司(「招商局工業集團」)已同意向本集團出租若干物業，年期自二零二一年五月十八日起至二零二三年十二月三十一日止。

由於基金有限合夥人於本公司1,530,372,000股股份(相當於本公司已發行股本約47.18%)中擁有權益，因此其為本公司的控股股東。招商局工業由招商局集團最終全資擁有，而基金有限合夥人由招商局集團間接控制。因此，根據上市規則，招商局工業為招商局集團及基金有限合夥人的聯繫人及本公司的關連人士。故此，根據上市規則第14A章，該等交易構成本公司的持續關連交易。

截至二零二一年、二零二二年及二零二三年十二月三十一日止期間／年度之年度上限，即本集團根據總租賃協議於各年度將予訂立之租賃相關之使用權資產總值10,000,000港元。截至二零二一年十二月三十一日止年度的實際交易金額為約2,625,000港元。

CONTINUING CONNECTED TRANSACTIONS

(Continued)

Master Lease Framework Agreement (Continued)

The Company is of the view that the leases under the Master Lease Framework Agreement will benefit the Group by (i) saving rental payment by the Company, such that both the Group and the CM Industry Group can enjoy economies of scale and maximise cost efficiency; and (ii) providing the Group with stable and successive premises based on fair and reasonable terms for its operations and business.

As one or more of the applicable percentage ratios of the annual caps under the Master Lease Framework Agreement for the coming period/years ending 31 December 2023, exceed 0.1% but less than 5%, the transactions contemplated under the Master Lease Framework Agreement are subject to reporting, announcement and annual review requirements but exempt from the circular and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Details of the above transactions are set out in the announcement of the Company dated 18 May 2021.

The independent non-executive Directors have reviewed the above continuing connected transactions and confirmed that the transactions have been entered into:

- (a) in the ordinary and usual course of business of the Group;
- (b) on normal commercial terms or better; and
- (c) according to the relevant agreements governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

The Company's auditor was engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 (Revised) "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. The auditor has issued their unmodified letter containing the auditor's findings and conclusions in respect of the continuing connected transactions disclosed by the Group in note 30(c) of the Annual Report in accordance with Main Board Listing Rule 14A.56. A copy of the auditor's letter has been provided by the Company to The Stock Exchange of Hong Kong Limited.

持續關連交易 (續)

總租賃框架協議 (續)

本公司認為，總租賃框架協議項下之租賃將透過以下方面令本集團受益：(i)節省本公司租金付款，使本集團及招商局工業集團均可享有規模經濟及盡可能提高成本效益；及(ii)按公平合理之條款為本集團之營運及業務提供穩定及連續之物業。

由於總租賃框架協議項下載至二零二三年十二月三十一日止未來期間/年度之年度上限之一項或多項適用百分比率超過0.1%但低於5%，故總租賃框架協議項下擬進行之交易須遵守上市規則第14A章項下之申報、公告及年度審閱規定，惟獲豁免遵守通函及獨立股東批准規定。

上述交易詳情載於本公司日期為二零二一年五月十八日的公告內。

獨立非執行董事已審閱上述持續關連交易並確認該等交易乃：

- (a) 在本集團的日常及一般業務過程中訂立；
- (b) 按照一般商業條款或更佳條款進行；及
- (c) 根據有關交易的協議進行，條款公平合理，並且符合本公司股東的整體利益。

本公司的核數師獲委聘就本集團的持續關連交易按照香港會計師公會頒佈的香港核證委聘準則第3000號(經修訂)「審計或審閱歷史性財務資料外的核證委聘」和參照實務說明第740號「在香港上市規則項下持續關連交易的核數師函件」作出報告。根據主板上市規則第14A.56條，核數師已就本集團於年度報告附註30(c)披露的持續關連交易的審查結果及結論發出無保留意見函件。核數師函件的副本已經由本公司提交香港聯合交易所有限公司。

REPORT OF THE DIRECTORS

董事會報告書

EQUITY-LINKED AGREEMENTS

Save as disclosed under the paragraphs headed “Share Award Plans” and “Share Award Incentive Scheme” contained in the “Management Discussion and Analysis” section of this annual report and note 27 to the financial statements, no equity-linked agreements were entered into during the Year or subsisted at the end of the Year.

RELATED PARTY TRANSACTIONS

Details of the related party transactions for the Year are set out in note 30 to the financial statements. Save as disclosed therein, there were no other transactions to be disclosed as related party transactions in accordance with the requirements of the Listing Rules and accounting principles generally accepted in Hong Kong.

DIRECTOR'S INTERESTS IN COMPETING BUSINESS

None of the Directors or any of their respective close associates was interested in any business that competes or may compete, either directly or indirectly, with the business of the Company, or had any other conflict of interests with the Company during the Year.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and to the best knowledge of the Directors, at least 25% of the Company's total number of issued Shares (being the prescribed minimum percentage of public float approved by the Stock Exchange and permitted under the Listing Rules was held by the public as at the date of this annual report.

AUDITORS

KPMG will retire and a resolution for their re-appointment as auditors of the Company will be proposed at the forthcoming annual general meeting of the Company.

CORPORATE GOVERNANCE

A report on the principle corporate governance practices adopted by the Company is set out on pages 63 to 80 of this annual report.

On Behalf of the Board
CMIC Ocean En-tech Holding Co., Ltd.

LOU Dongyang
Chairman

Hong Kong, 25 March 2022

股票掛鈎協議

除載於本年度報告「管理層討論及分析」一節及財務報表附註27有關「股份獎勵計劃」及「股份獎勵激勵計劃」的披露資料外，於本年度終結日或本年度內任何時間概無訂立任何股票掛鈎協議。

有關聯人士交易

本年度有關聯人士交易詳情載於財務報表附註30。除本報告披露者外，概無其他交易須根據上市規則及香港公認會計準則按有關聯人士交易披露。

董事於競爭業務的權益

董事或彼等各自任何緊密聯繫人概無於本年度於任何與本公司業務構成或可能構成直接或間接競爭的業務中擁有權益或與本公司出現其他利益衝突。

充足之公眾持股量

根據本公司可公開獲得的資料及就董事所深知，直至本年報日期，本公司已發行股份總額中至少有25%（即聯交所及上市規則規定的最低公眾持股比例）由公眾人士持有。

核數師

畢馬威會計師事務所於本公司應屆股東週年大會上退任，會上將提呈決議案重新委任其為本公司核數師。

企業管治

本公司所採納主要企業管治常規報告載於本年報第63頁至80頁。

代表董事會
華商國際海洋能源科技控股有限公司

主席
婁東陽

香港，二零二二年三月二十五日

CORPORATE GOVERNANCE REPORT

企業管治報告

The Board is pleased to present the “Corporate Governance Report” for the Year.

The Company recognises the importance of good corporate governance to the Group’s healthy growth and has devoted considerable efforts to identifying and formulating corporate governance practices appropriate to the needs of its business. Therefore, the Company has continued to incorporate the essence of corporate governance into its management structure and internal control procedures, with the aim to maintaining the highest standard in integrity and ethics in all aspects of our business activities, and to ensure the full compliance of our operations with applicable laws and regulations. By achieving high standards of corporate governance, the Directors believe that sound and reasonable corporate governance practices are essential for the rapid growth of the Company and for safeguarding and maximising the interests of the Company and its shareholders as a whole.

CORPORATE GOVERNANCE PRACTICES

For the year ended 31 December 2021, the Company had complied with the code provisions of the Corporate Governance Code (the “CG Code”) set out in Appendix 14 to the Listing Rules.

THE MODEL CODE

The Company has adopted a code of conduct regarding Directors’ securities transactions on terms no less exacting than the required standards of dealings as set out in the Model Code for Securities Transactions by the Directors of Listed Issuers (the “Model Code”) as set forth in Appendix 10 to the Listing Rules. Having made specific enquiry of all Directors, the Directors had complied with such code of conduct and the required standards of dealings as set out in the Model Code throughout the year ended 31 December 2021.

董事會欣然呈報本年度本「企業管治報告」。

本公司深明良好企業管治對本公司健全發展之重要性，故致力尋求及制訂切合其業務需要之企業管治常規，並繼續將有效的企業管治要素，一一融入管理架構與內部監控程序當中，力求在業務各方面貫徹嚴謹的誠信及道德操守，確保所有業務運作一律符合適用法律及法規。透過建設高水平的企業管治，董事相信，健全、合理的企業管治常規，是本公司快速成長、保障及提高本公司及股東整體利益的關鍵。

企業管治常規

截至二零二一年十二月三十一日止年度，本公司已遵守上市規則附錄十四所載企業管治守則（「企業管治守則」）之守則條文。

標準守則

本公司已就董事進行之證券交易採納一項條款不寬於上市規則附錄十上市發行人董事進行證券交易的標準守則（「標準守則」）所載規定買賣準則之操守守則。於向全體董事作出特定查詢後，董事於截至二零二一年十二月三十一日止年度一直已遵守標準守則內所載有關操守守則及規定買賣準則。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD OF DIRECTORS

The Board is responsible for managing the Company on behalf of shareholders. The Board is of the view that it is the Directors' responsibilities to create value for shareholders and safeguard the best interests of the Company and the shareholders by discharging its duties in a dedicated, diligent and prudent manner on the principle of good faith. The Board is also responsible for decisions in relation to the overall strategic development of the Company's business. Responsibilities in relation to daily and execution of the strategic business plans are delegated to each of the executive Directors and the management.

Details of the backgrounds and qualifications of the executive chairman of the Company, other Directors and senior management are set out under the "Profiles of Directors and Senior Management" of this annual report. All Directors have given sufficient time and attention to the affairs of the Company. The executive Directors have sufficient experience to hold their positions so as to carry out their duties effectively and efficiently.

The Board comprises eleven Directors up to the date of this annual report, including two executive Directors, namely Mr. Jiang Bing Hua and Mr. Zhang Menggui, Morgan; five non-executive Directors, namely Mr. Lou Dongyang (Chairman), Mr. Wang Jianzhong, Ms. Fu Rui, Mr. Liu Jiancheng and Mr. Huang Jin; and four independent non-executive Directors, namely Mr. Chan Ngai Sang, Kenny, Mr. Zou Zhendong, Mr. Chen Weidong and Mr. Sun Dongchang. As over half of the members of the Board are non-executive Directors and they have not participated in the management of the Company, the Board is able to exercise independent judgement on corporate affairs and provide the management with a diverse and objective perspective on issues. The Board believes that the current board size is appropriate based on the Company's present circumstances and will periodically evaluate the need for increasing or decreasing its size.

During the year ended 31 December 2021, the Board had at all times complied with the requirement of the Listing Rules of having at least three independent non-executive Directors (more than one third of the Board members) and at least one of them having appropriate professional accounting or related financial management expertise. To the knowledge of the Directors, there are no financial, business, family or other material relationships among the Board members.

The Articles clearly state the procedures for the appointment of new directors, re-election and removal of directors. Under the Articles, the Board may from time to time appoint a director either to fill a casual vacancy or as an addition to the Board. Any such new director shall hold office until the next following general meeting of the Company (in the case of filling a casual vacancy) or until the next annual general meeting of the Company (in the case of an addition to the Board) and shall then be eligible for re-election at the same general meeting.

董事會

董事會負責代表股東管理本公司。董事會認為，董事須透過以積極、盡責及審慎的態度，按照誠信原則履行其職務，負責為股東創造價值及保障本公司及股東的最佳利益。董事會亦負責決定本公司業務的整體策略發展。策略業務計劃的日常及執行責任已委派予各執行董事及管理層。

本公司執行主席、其他董事及高級管理層的背景及資格詳情載於本年報「董事及高級管理層履歷」內。全體董事已撥出充足時間及注意力於本公司的事務上。執行董事均擁有出任其職位所需之豐富經驗，以有效及有效率地履行其職務。

截至本年度報告日期止，董事會由十一名董事組成，包括兩名執行董事，分別為蔣秉華先生及張夢桂先生；五名非執行董事，分別為婁東陽先生(主席)、王建中先生、傅銳女士、劉建成先生及黃晉先生；以及四名獨立非執行董事，分別為陳毅生先生、鄒振東先生、陳衛東先生及孫東昌先生。董事會半數以上成員為非執行董事，彼等並無參與本公司管理，故董事會可就企業事務作出獨立判斷，並向管理層就各項事宜提供各方面的意見及客觀分析。董事會相信，董事會現時規模適合本公司目前環境，並將會定期評估是否需要增加或減少成員數目。

截至二零二一年十二月三十一日止年度，董事會一直遵守符合上市規則之要求，規定董事會內至少有三名獨立非執行董事(超過董事會人數三分之一)並至少其中一名具備合適專業會計或相關財務管理專長。就董事所知，董事會成員之間並無任何財務、業務、家屬或其他重大關係。

細則清楚列明委任新董事、重選及罷免董事的程序。根據細則，董事會可不時委任董事填補臨時空缺或新增加入董事會。任何有關新增董事將就任至本公司下屆股東大會(就填補臨時空缺而言)或直至本公司下屆股東週年大會(就新加入董事會而言)，並符合資格於同一股東大會上重選連任。

BOARD OF DIRECTORS (Continued)

All Directors (including non-executive Directors) have entered into a service contract with the Company for a term of three years. They are subject to retirement by rotation once every three years, and re-election in accordance with the Articles, unless and until terminated by not less than three months' prior notice in writing served by either party on the other. Pursuant to Article 86 and Article 87, Mr. Jiang Bing Hua, Ms. Fu Rui, Mr. Liu Jiancheng, Mr. Huang Jin and Mr. Chan Ngai Sang, Kenny will retire, and being eligible for election, offer themselves for re-election at the forthcoming annual general meeting to be held on 20 May 2022.

Each of the independent non-executive Directors has made an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Company is of the view that all independent non-executive Directors meet the independence guidelines set out in Rule 3.13 of the Listing Rules and are independent persons.

The primary functions of the Board include:

- deciding on the overall strategies, overseeing operational and financial performance and formulating appropriate policies to manage risk exposure associated with realising the strategies and goals of the Company;
- being held accountable for the internal control system of the Company and responsible for reviewing its effectiveness;
- being ultimately responsible for preparing financial statements and discussing the performance, financial conditions and prospects of the Company in a balanced, clear and comprehensible manner. These responsibilities are applicable to interim and annual reports of the Company, other price sensitive announcements published according to the Listing Rules and disclosure of other financial information, reports submitted to regulatory bodies and information discloseable under statutory requirements;
- executive Directors oversee the overall business of the Company and are responsible for the daily operations of the Company and the Board is responsible for affairs involving the overall policies, finances and shareholders of the Company, including, among others, financial statements, dividend policy, significant changes to accounting policies, annual operating budgets, material contracts, major financing arrangements, principal investment and risk management strategies. Implementation and execution of such decisions are delegated to the management; and

董事會(續)

全體董事(包括非執行董事)已與本公司訂立服務合約，為期三年，根據細則須每三年輪值告退一次及膺選連任，除非及直至任何一方向另一方發出不少於三個月的事先書面通知終止。根據細則第86條及第87條，蔣秉華先生、傅銳女士、劉建城先生、黃晉先生及陳毅生先生將於二零二二年五月二十日舉行的應屆股東週年大會上退席，並合資格及願意重選連任。

各位獨立非執行董事已根據上市規則第3.13條作出獨立性之年度確認。本公司認為所有獨立非執行董事已符合上市規則第3.13條所載之獨立指引且屬獨立人士。

董事會的主要職能包括：

- 決定整體策略，監察營運及財務表現，並制定適當的政策，以管理為達成本公司策略目標而承擔之風險；
- 對本公司內部監控制度及就檢討其效能負責；
- 最終負責編製財務報表，及以平衡、清晰及易於理解的方式討論本公司之績效表現，財務狀況及前景。這方面的責任適用於本公司中期及年度報告、按上市規則發出的其他股價敏感公佈及其他財務數據之披露、向監管機構提交的報告，以及根據法定要求須予披露之信息；
- 執行董事監督本公司之整體業務及負責本公司之日常營運，涉及本公司整體策略、財政及股東之事務則由董事會負責，其中包括財務報表、股息政策、會計政策之重大變動、年度營運預算、重大合約、主要融資安排、主要投資及風險管理策略。該等決定之實施及執行均被授權予管理層負責；及

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD OF DIRECTORS (Continued)

- regularly reviewing its own functions and the powers conferred upon executive Directors to ensure appropriate arrangements are in place. The management is well informed of its power and duties with clear guidelines and instructions, in particular regarding situations under which reporting to the Board is necessary and matters that require the approval of the Board before any decisions or commitments can be made on behalf of the Company.

Members of the Board held a total of six meetings during the Year. The Directors were given sufficient time and information relating to the matters to be discussed in the Board meetings in advance, or except in special circumstances, consent to short notice is sought at times of urgency. In addition, the Company has maintained a procedure for the Directors to seek independent professional advice, in appropriate circumstances, at the Company's expense in discharging their duties to the Company. Moreover, the Company Secretary prepares minutes and keeps records of matters discussed and decisions resolved at all Board meetings. The Company Secretary also keeps the minutes, which are open for inspection at any reasonable time on reasonable notice by any Director.

Matters considered and approved by the Board during the Year mainly related to (i) review of the Company's business; (ii) approval of the 2020 annual results; (iii) approval of the 2021 interim results; (iv) appointment of non-executive directors of the Company; (v) continuing connected transactions.

The Directors have complied with the code provision of the CG Code for the convening of Board meetings which requires Board meetings to be held at least four times a year at approximately quarterly intervals and held Board meetings for the purpose of reviewing the financial performance, results of each relevant period, material investments and other matters of the Company that require resolutions of the Board. Simultaneous conference calls are used to improve attendance when individual Directors cannot attend the meeting in person.

董事會(續)

- 定期檢討其自身之功能及授予執行董事之權力，以確保該等安排仍然適當。管理層已就其權力及義務獲清晰指引及指示，特別是在何種情況下應向董事會彙報，以及在代表本公司作出任何決定或訂立任何承諾前應取得董事會批准等事宜方面。

董事會成員於本年度舉行合共6次會議。董事事先獲給予充足時間及有關將於董事會會議上商討的事宜的資料，或除於特別情況下，同意於緊急時接獲短期通知。此外，本公司已制定一套程序以供各董事在適當情況下尋求獨立專業意見以履行其職責，有關費用由本公司負責。另外，公司秘書會編製會議記錄並保存有關於所有董事會上所討論事宜及所議決決定之記錄。公司秘書亦保存會議記錄，以供任何董事在發出合理通知後，於任何合理時間查閱。

董事會於本年度考慮及批准的事項主要關於(i)審閱公司業務；(ii)批准二零二零年年度業績；(iii)批准二零二一年中期業績；(iv)委任本公司非執行董事；(v)持續關連交易。

董事已遵守召開企業管治守則有關董事會會議之守則條文，規定每年大約按季度舉行最少四次董事會會議，及舉行董事會會議以檢討財務表現、各有關期間的業績、重大投資及本公司其他須以董事會決議案通過的事宜。當個別董事未能親身出席會議時，實時電話會議可用作改善出席情況。

BOARD OF DIRECTORS (Continued)

For the year ended 31 December 2021, the executive chairman of the Company held a meeting with the independent non-executive Directors without the presence of the other Directors.

Mr. Lou Dongyang is the chairman of the Board and Mr. Cong Yongjian was the chief executive officer of the Company until his resignation on 19 July 2021. The division of responsibilities between the chairman of the Board and the chief executive officer of the Company are clearly divided to ensure a balance of power and authority and to reinforce their independence and accountability. After the resignation of Mr. Cong Yongjian, the other members of the Board (except the Chairman) then discharge the duties of the chief executive officer until a suitable person is found by the Company to fill the vacancy. Thereafter, Mr. Jiang Bin Hua has been appointed as the chief executive officer of the Company with effect from 26 January 2022.

Mr. Lou Dongyang, being the chairman of the Board, is responsible for leading the Board and ensuring that the Board functions effectively and performs its responsibilities, that Directors receive, in a timely manner, adequate information which is accurate, clear, complete and reliable and that all Directors are properly briefed on issues arising at board meetings. The chairman also encourages Directors to actively participate in, and to make full contribution to, the Board's affairs so that the Board can act in the best interest of the Company.

Mr. Cong Yongjian, being the then chief executive officer of the Company, was responsible for the daily operations of the Company, execution of business policies, strategies, objectives and plans as formulated and adopted by the Board and leading the management of the Company.

Directors' Continuous Training and Development

Directors should participate in continuous professional development to develop and refresh their knowledge and skills. This is to ensure that their contribution to the Board remains informed and relevant. The Company continuously updates the Directors on the latest developments regarding the Listing Rules and other applicable regulatory requirements to ensure compliance with and enhance their awareness of good corporate governance practices. The Company issue circulars or guidance notes to Directors and senior management where appropriate to ensure awareness of best corporate governance practices.

During the Year, the Directors were committed to complying with the code provision A.6.5 on Directors' training. Some Directors attended seminars and conferences, which covered topics including the new Companies Ordinance, taxation, quality control, and corporate governance issues, and provided a record of training they received for the Year to the Company.

董事會(續)

截至二零二一年十二月三十一日止年度，本公司執行主席與獨立非執行董事舉行了一次會議，該會議並無其他董事出席。

婁東陽先生為董事會主席，叢永儉先生為本公司首席執行官(直至彼於二零二一年七月十九日辭任為止)。本公司董事會主席及首席執行官的職責清楚劃分，確保權力及職權得到平衡，以及加強獨立性及問責性。叢永儉先生辭任後，首席執行官職責由董事會其他成員(主席除外)執行，直至本公司覓得合適人士填補空缺。其後，蔣秉華先生獲委任為本公司首席執行官，於二零二二年一月二十六日起生效。

董事會主席婁東陽先生負責領導董事會及確保董事會有效運作並履行其職責，並確保董事準時收到充足、準確、清晰、完整及可靠的資料，亦確保各董事均適當知悉董事會會議討論的議題。主席亦鼓勵各董事積極參與及全力投入董事會事務，務求令董事會能以本公司的最佳利益為依歸。

本公司時任首席執行官叢永儉先生負責本公司的日常運作，落實由董事會制定及採納的業務政策、策略、目標及計劃以及領導本公司管理人員。

董事之持續培訓及發展

董事應參加持續專業發展，發展及更新其知識及技能。此為確保彼等向董事會作出知情及恰當之貢獻。本公司持續提供有關上市規則及其他適用監管規定之最新信息予董事，以確保董事遵守企業管治常規及提高彼等對良好企業管治常規之認識。本公司向董事及高級管理層(倘合適)發出通函或指引，以確保瞭解最佳企業管治常規。

於本年度，董事已承諾遵守有關董事培訓之守則條文第A.6.5條。若干董事已出席研討會及會議，其中涉及的主題包括新的公司條例、稅務、質量控制及企業管治事項及向本公司提供彼等於本年度的培訓記錄。

CORPORATE GOVERNANCE REPORT

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BOARD OF DIRECTORS (Continued)

Directors' Continuous Training and Development

(Continued)

A summary of training received by the Directors during the Year set out as follows:

董事會(續)

董事之持續培訓及發展(續)

董事於本年度的培訓概要載列如下：

Name of Director 董事姓名	Type of Training 培訓類別
Executive Directors:	
執行董事：	
Mr. JIANG Bing Hua 蔣秉華先生	A, B
Mr. ZHANG Menggui, Morgan 張夢桂先生	A, B
Non-executive Directors:	
非執行董事：	
Mr. WANG Jianzhong 王建中先生	B
Mr. LOU Dongyang 婁東陽先生	B
Ms. FU Rui 傅銳女士	B
Mr. LIU Jiancheng (appointed on 23 September 2021) 劉建成先生(於二零二一年九月二十三日獲委任)	B
Mr. HUANG Jin (appointed on 23 September 2021) 黃晉先生(於二零二一年九月二十三日獲委任)	B
Independent non-executive Directors:	
獨立非執行董事：	
Mr. CHAN Ngai Sang, Kenny 陳毅生先生	B
Mr. ZOU Zhendong 鄒振東先生	B
Mr. CHEN Weidong 陳衛東先生	B
Mr. SUN Dongchang 孫東昌先生	B

Notes:

A: attending seminars and/or conferences and/or forums relating to directors' duties or other relevant topics

B: reading seminar materials, newspapers, journals and updates relating to economy, the latest development of the Listing Rules and other applicable regulatory requirements

附註：

A：出席研討會及／或會議及／或論壇關於董事之職務或其他相關議題

B：閱讀研討會材料、報紙、刊物及有關經濟、上市規則及其他適用監管規定的最近發展的更新情況

BOARD OF DIRECTORS (Continued)

Directors' Attendance of Meetings

Details of attendance of meetings of the Board, audit committee, remuneration committee, nomination committee and compliance committee meetings and the general meetings of the Company held during the Year by the Directors are set out as follows:

董事會 (續)

董事出席會議的情況

於本年度，董事出席本公司所舉行的董事會、審核委員會、薪酬委員會、提名委員會及監察委員會會議以及股東大會的情況如下：

Name of Director 董事姓名	Number of meeting(s) attended/held 出席／舉行會議次數					
	Board 董事會	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會	Compliance Committee 監察委員會	General Meeting 股東大會
Executive Directors: 執行董事：						
Mr. JIANG Bing Hua 蔣秉華先生	6/6		2/2			1/1
Mr. ZHANG Menggui, Morgan 張夢桂先生	6/6			2/2		1/1
Mr. CONG Yongjian (resigned on 19 July 2021) 叢永儉先生(於二零二一年七月十九日 辭任)	3/3					1/1
Non-executive Directors: 非執行董事：						
Mr. WANG Jianzhong 王建中先生	2/6					1/1
Mr. LOU Dongyang 婁東陽先生	6/6		2/2	2/2	1/1	1/1
Ms. FU Rui 傅銳女士	3/6					1/1
Mr. LIU Jiancheng (appointed on 23 September 2021) 劉建成先生(於二零二一年九月 二十三日獲委任)	1/1					N/A
Mr. HUANG Jin (appointed on 23 September 2021) 黃晉先生(於二零二一年九月二十三日 獲委任)	1/1					N/A
Mr. QIAN Zewei (resigned on 15 April 2021) 錢澤偉先生(於二零二一年四月十五日 辭任)	2/3					N/A
Independent non-executive Directors: 獨立非執行董事：						
Mr. CHAN Ngai Sang, Kenny 陳毅生先生	6/6	2/2	2/2	2/2	1/1	1/1
Mr. ZOU Zhendong 鄒振東先生	6/6	2/2	2/2	2/2		1/1
Mr. CHEN Weidong 陳衛東先生	6/6	2/2	2/2	2/2	1/1	1/1
Mr. SUN Dongchang 孫東昌先生	6/6					

CORPORATE GOVERNANCE REPORT

企業管治報告

DIRECTORS' INSURANCE

The Company has arranged appropriate insurance cover in respect of legal actions against the Directors.

COMPANY SECRETARY

Ms. Ching Fan KOO has been engaged by the Company as its Company Secretary. The primary contact person of the Company with Ms. Koo is Mr. ZHAO Yanan, the Secretary to the Board. Ms. Koo attended no less than 15 hours of relevant professional training during the Year in accordance with Rule 3.29 of the Listing Rules.

REMUNERATION COMMITTEE

The remuneration committee was established on 20 October 2005 with written terms of reference in compliance with the CG Code. It comprises three independent non-executive Directors, namely Mr. Zou Zhendong (chairman), Mr. Chan Ngai Sang, Kenny and Mr. Chen Weidong, and one non-executive Director, namely, Mr. Lou Dongyang, and one executive Director, namely Mr. Jiang Bing Hua.

The role and function of the remuneration committee include the determination of the specific remuneration packages of all executive Directors and senior management, including benefits-in-kind, pension rights and remuneration payments (including any compensation payable for loss or termination of their office or appointment), or making recommendations to the Board of the remuneration of Directors. The remuneration committee will consider and give due regard to both the performance levels of, and a fair reward for, the chairman, executive Directors and the senior management and to the interest of all the shareholders of the Company in light of the financial and commercial circumstances of the Company from time to time. No Director shall be involved in deciding his own remuneration. The remuneration committee also made recommendations to the Board on the establishment of a formal and transparent procedure for developing remuneration policy.

During the Year, the remuneration committee held two meetings and proposed to consider the remuneration packages of the non-executive Directors and independent non-executive Directors. The chairman of the remuneration committee reported the findings and provided recommendations to the Board after the meetings.

董事保險

本公司已就針對董事之法律行動安排適當投保。

公司秘書

顧菁芬小姐獲本公司委任為公司秘書。本公司與顧小姐之主要聯絡人為董事會秘書趙一楠先生。於本年度，顧小姐根據上市規則第3.29條參加不少於15小時的相關專業培訓的規定。

薪酬委員會

薪酬委員會於二零零五年十月二十日成立，並遵照企業管治守則以書面制定其職權範圍。薪酬委員會包括三名獨立非執行董事，分別為鄒振東先生(主席)、陳毅生先生及陳衛東先生，以及一名非執行董事婁東陽先生及一名執行董事蔣秉華先生。

薪酬委員會的角色及職能包括釐定全體執行董事及高級管理層的特定酬金組合，包括實物利益、退休福利及薪酬款項(當中包括任何就董事離職或委任而應付的任何報酬)，及就董事酬金向董事會建議意見。薪酬委員會將同時考慮及適當顧及主席、執行董事及高級管理層的表現水平及其公平報酬，以按照本公司當時的財務及商務狀況，符合本公司全體股東的利益。概無董事將參與釐定其本身酬金。薪酬委員會亦就為建立正式及透明之制訂薪酬政策程序向董事會作出建議。

本年度內，薪酬委員會召開2次會議，建議檢討非執行董事及獨立非執行董事的酬金組合。於會議舉行後，薪酬委員會主席已向董事會彙報有關情況及提出建議。

REMUNERATION COMMITTEE (Continued)

Details of the Directors' remuneration are set out in note 7 to the consolidated financial statements. In addition, pursuant to code provision B.1.5, the annual remuneration of members of the senior management by band for the year ended 31 December 2021 is set out below:

Remuneration band (US\$) 酬金分級(美元)	Number of individuals 人數
Less than 100,000 少於100,000	2
100,000 to 200,000 100,000至200,000	2
200,001 to 300,000 200,001至300,000	1
300,001 to 400,000 300,001至400,000	2
400,001 to 500,000 400,001至500,000	–

NOMINATION COMMITTEE

The nomination committee was established on 5 June 2009 with written terms of reference in compliance with the CG Code and comprises a majority of independent non-executive Directors. Currently, the members of the committee are Mr. Lou Dongyang (chairman), a non-executive Director, Mr. Zhang Menggui, Morgan, an executive Director and, Mr. Chan Ngai Sang, Kenny, Mr. Zou Zhendong and Mr. Chen Weidong, each an independent non-executive Directors.

Prior to the establishment of the nomination committee, the executive chairman and chief executive officer were mainly responsible for identifying suitable candidates for members of the Board when there was a vacancy or an additional director was considered necessary. The executive chairman or chief executive officer would propose the appointment of such candidates to the Board for consideration and the members of the Board would review the qualifications of the relevant candidates for determining the suitability of such candidates for the Company based on his/her skills, qualifications, experience, background, leadership and personal integrity. The decision to appoint a director may be approved by a majority of the members of the Board.

The nomination committee has adopted a diversity policy concerning the diversity of Board members. In determining the Board composition and selecting candidates for the Board, the Company considers a range of elements, including but not limited to gender, age, cultural and educational background, professional experience, skills and knowledge. All appointments of the Board are made based on merit and objective standards while fully taking account of the benefits of a diverse Board.

薪酬委員會(續)

董事酬金詳情載列於綜合財務報表附註7。此外，根據守則條文第B.1.5條，截至二零二一年十二月三十一日止年度，高級管理人員年度酬金分級載列如下：

提名委員會

提名委員會於二零零九年六月五日成立並遵照企業管治守則以書面制定其職權範圍，且大部分成員為獨立非執行董事。現時，委員會的成員為非執行董事婁東陽先生(主席)、執行董事張夢桂先生、以及獨立非執行董事陳毅生先生、鄒振東先生及陳衛東先生。

於成立提名委員會前，執行主席及首席執行官主要負責在出現空缺或認為需要增添董事時，甄別適當人選作為董事會成員。執行主席或首席執行官將向董事會建議委任該候選人以供考慮，而董事會成員會審閱有關候選人的資歷，按其技能、資歷、經驗、背景、領導能力及個人誠信確定是否適合本公司。委任董事的決定可經董事會大多數成員批准。

提名委員會已採納有關董事會多元化之多元化政策。本公司在設定董事會成員組合及甄選董事會候選人時，會從多方面考慮董事會成員多元化，包括但不限於性別、年齡、文化及教育背景、專業經驗、技能及知識。董事會所有委任均以用人唯才為原則，並以客觀準則考慮人選，充分顧及董事會多元化的裨益。

CORPORATE GOVERNANCE REPORT

企業管治報告

NOMINATION COMMITTEE (Continued)

The selection of candidate will be based on a range of diversity elements. The final decision will be made according to the strengths of the candidate and his/her contribution that would bring to the Board.

As at the date of this report, the Board comprises eleven Directors, of which four are independent non-executive Directors and five are non-executive Directors, which enables critical review and control of the management process. The Board is also characterised by significant diversity whether in terms of gender, nationality, professional background or skills.

During the Year, the nomination committee held two meetings to review and discuss the appointment of the non-executive Directors, and made recommendations to the Board. The chairman of the nomination committee reported the findings and provided recommendations to the Board after the meetings.

The roles and functions of the nomination committee, include assessing the independence of independent non-executive Directors, identifying suitably qualified candidates for appointment to the Board and selecting or making recommendations to the Board in respect of such candidates and/or the appointment or re-appointment of Directors, reviewing the structure, size and composition of the Board and monitoring the implementation of the Board diversity policy and the nomination policy. Before an appointment is made, the nomination committee evaluates the candidates or existing Director's skills, knowledge and experience on the Board and prepares a description of the role and capabilities required for a particular appointment based on its evaluation. If deemed appropriate, external consultants may be engaged to identify suitable candidates. After identifying a suitable candidate, the recommendations of the nomination committee will then be submitted to the Board for assessment.

COMPLIANCE COMMITTEE

The compliance committee was established on 20 October 2005 with written terms of reference. The constitution of the committee shall comply with the requirements of the Listing Rules from time to time. It comprises three Directors, namely, Mr. Lou Dongyang (chairman), Mr. Chan Ngai Sang, Kenny, Mr. Chen Weidong and one other member, namely, Mr. Ma Yaohui.

The general responsibilities of the committee are to ensure compliance of the Company with all relevant laws and regulations and the Listing Rules ("Relevant Regulations"). It shall also fulfill other responsibilities as required by the Relevant Regulations from time to time.

During the Year, the compliance committee held one meeting and to review and monitor the compliance of the disclosures in the Company's annual report and interim report with the Relevant Regulations. The chairman of the compliance committee then reported the findings and provided recommendations to the Board after the meeting.

提名委員會 (續)

甄選人選將基於一系列多元化因素，最終將按所選人選的優點及其將為董事會帶來的貢獻而作出決定。

於本報告日期，董事會包括十一名董事，其中四名為獨立非執行董事，五名則為非執行董事，從而能夠作出批判檢討及監控管理過程。就性別、國籍、專業背景及技能方面而言，董事會均屬相當多元化。

於本年度，提名委員會舉行了2次會議，檢討及討論非執行董事的委任並向董事會作出建議。提名委員會主席已在會後向董事會彙報意見並作出建議。

提名委員會的職責及職能包括評估獨立非執行董事的獨立性、甄別合適的合資格候選人供董事會委任並就有關候選人及／或董事的委任或重新委任作甄選及向董事會作出建議、檢討董事會之架構、規模及組成，以及監察董事會多元化政策及提名政策的推行。於作出委任前，提名委員會評估候選人或現有董事對董事會技能、知識及經驗方面的貢獻，並基於該評估制訂某一項委任所需的職責及能力概述。在適當情況下，亦可能會聘請外部顧問物色合適候選人。物色到合適候選人後，提名委員會的建議將會提交予董事會亦作評估。

監察委員會

監察委員會於二零零五年十月二十日成立，並以書面制定其職權範圍。委員會之組成須遵守上市規則不時之規定。其由三名董事，即婁東陽先生(主席)、陳毅生先生、陳衛東先生以及一名其他成員，即馬耀輝先生組成。

委員會之一般責任為確保本公司遵守所有相關法例及法規及上市規則(「相關法規」)。委員會亦須履行相關法規不時規定之其他責任。

於本年度，監察委員會召開1次會議，審閱及監察本公司年度報告及中期報告中已根據相關法規作出之披露。監察委員會主席於會後向董事會彙報有關結果並提出建議。

DIRECTORS RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing the financial statements of the Company. The Directors must ensure that the preparation of the financial statements of the Company is in accordance with statutory requirements and applicable accounting standards. The Directors are not aware of any material uncertainties relating to events or conditions which may cast significant doubt upon the Company's ability to continue as a going concern.

The statement of the auditor of the Company about its reporting responsibilities on the financial statements of the Company is set out in the "Independent Auditor's Report" on pages 112 to 121 of this annual report.

AUDITORS' REMUNERATION

The audit committee of the Company is responsible for considering the appointment of the external auditor and reviewing non-audit functions (if any) performed by the external auditor, including whether such non-audit functions could lead to any potential material adverse effect on the Company. During the Year, the Company paid an aggregate of approximately US\$460,000 (2020: US\$460,000) and US\$Nil (2020: US\$81,000) to the external auditor for its audit services and non-audit services, respectively.

AUDIT COMMITTEE

The Company established an audit committee with written terms of reference in compliance with the CG Code. To ensure on going compliance with the CG Code, the audit committee's terms of reference takes into account the Board's responsibility to review the adequacy of financial reporting staff and oversee the audit committee. According to Rule 3.21 of the Listing Rules, the audit committee comprises a minimum of three members with a majority of independent non-executive Directors, namely Mr. Chan Ngai Sang, Kenny (chairman), Mr. Zou Zhendong and Mr. Chen Weidong, all of whom are independent non-executive Directors, with at least one member having the appropriate professional qualifications of accounting or related financial management expertise pursuant to Rule 3.10(2) of the Listing Rules.

董事對財務報表之責任

董事知悉其對編製本公司財務報表之責任。董事須確保本公司財務報表已遵照法定要求及適用會計準則編製。就董事所知，並無任何可能引致質疑本公司能否繼續經營之重大不確定之事宜或情況。

本公司核數師就其對本公司財務報表的申報責任聲明，載於本年報第112頁至121頁的「獨立核數師報告」內。

核數師酬金

本公司審核委員會負責考慮委聘外部核數師及審視由外部核數師履行的非審核職能(如有)，包括該等非審核職能會否對本公司構成任何潛在重大不利影響。於本年度，本公司就外部核數師的審核服務及非審核服務分別向其支付合共約460,000美元(二零二零年：460,000美元)及零美元(二零二零年：81,000美元)。

審核委員會

本公司成立審核委員會，並遵照企業管治守則以書面制定其職權範圍。為確保持續遵守企業管治守則，審核委員會之職權範圍已考慮董事會檢討財務匯報之員工是否充足及監察審核委員會的責任。根據上市規則第3.21條，審核委員會須至少由三位成員組成，而獨立非執行董事須佔大多數，包括陳毅生先生(主席)、鄒振東先生及陳衛東先生，彼等均為獨立非執行董事；且根據上市規則第3.10(2)條，須至少有一位成員具備適當之會計專業資格或相關財務管理專業知識。

CORPORATE GOVERNANCE REPORT

企業管治報告

AUDIT COMMITTEE (Continued)

The main duties of the audit committee include the following:

- (a) To review the financial statements and reports and consider any significant or unusual items raised by the Company's staff responsible for accounting and financial reporting, compliance officer or external auditor before submission to the Board;
- (b) To review the relationship with the external auditor by reference to the work performed, fees and terms of engagement, and to make recommendations to the Board on the appointment, re-appointment and removal of external auditor; and
- (c) To review the adequacy and effectiveness of the Company's financial reporting system, internal control system and risk management system and associated procedures.

During the Year, the audit committee held two meetings to consider and review the interim and annual results of the Company, discuss the risk management and internal control system with the management, discuss the audit plan and strategy, discuss compliance with applicable accounting standards and requirements and ensure adequate disclosure. The audit committee also met the external auditor twice without the presence of the executive Directors to discuss the audit plan and scope and identified significant risks and other areas of focus to be addressed by the external auditor.

There is no disagreement between the Board and the audit committee regarding the selection, appointment, resignation or dismissal of external auditor.

The Company's annual results for the year ended 31 December 2021 has been reviewed by the audit committee.

審核委員會 (續)

審核委員會之主要職責包括如下：

- (a) 審閱財務報表及報告，並於提交至董事會之前考慮本公司負責會計及財務匯報之員工、合規主任或外部核數師提出之重大或不尋常事宜；
- (b) 參考已進行之工作、酬金及委聘條款檢討與外部核數師之關係，並就委任、續聘及解聘外部核數師向董事會提供推薦建議；及
- (c) 檢討本公司之財務報告系統、內部控制系統及風險管理系統以及相關程序之充足性及有效性。

於本年度，審核委員會曾舉行合共2次會議，以考慮及審閱本公司的中期及年度業績、與管理層討論風險管理和內部控制系統、討論核數方案及策略、討論適用會計準則及規定的合規情況以及確保已作出足夠披露事項。審核委員會亦在執行董事缺席的情況下兩次會見了外部核數師，以討論審核計劃及範圍，並確認外部核數師提出的重大風險及其他重點方面。

董事會及審核委員會在有關外部核數師之甄選、委任、辭任或解聘方面並無意見不合。

本公司截至二零二一年十二月三十一日止年度之年度業績已由審核委員會審閱。

INDEPENDENCE OF THE COMPANY FROM ITS CONTROLLING SHAREHOLDERS IN RESPECT OF BUSINESS, PERSONNEL, ASSET, ORGANISATIONAL STRUCTURE AND FINANCE

Before the change in shareholding of the Company on 9 July 2021, the direct substantial shareholders of the Company were China Great Bay Area Fund Management Company Limited and China Merchants Industry Holdings Co., Ltd. (their controlling shareholder are China Merchants Group) and Great Wall International Investment V Limited (it is wholly-owned by GW Asset Management). After the aforesaid change in shareholding of the Company, China Great Bay Area Fund Management Company Limited and Great Wall International Investment V Limited were no longer substantial shareholders of the Company. The Company has an independent and complete business system and has the capacity for independent operation in the market. The Company is independent from its substantial shareholders in respect of its business, personnel, asset, organisational structure and finance, and they independently proceed with audit and assume the responsibilities and risks.

- (1) Business: The production system, purchase system, auxiliary production system and sale system of the Company are independent. The Company owns the intangible assets such as industrial property, trademark, non-patent technology independently.
- (2) Personnel: The labour, personnel and salary management institutions of the Company are independent and the system is complete. The Company and the substantial shareholders do not share staff or senior management. All of the Company's staff and senior management are paid by the Company.
- (3) Assets: The property rights between the Company and the substantial shareholders are clearly delineated, with complete procedures. The property rights are managed by the Company independently. The substantial shareholders do not occupy or govern the assets of the Company nor interfere in its operation management of the assets.
- (4) Organisational structure: The Board, the Compliance Committee and other internal institutions of the Company are complete and operate independently. The substantial shareholders perform their rights according to the law and assume the corresponding obligations without directly or indirectly interfering with the business activities of the Company by overstepping the general meeting.
- (5) Finance: The finance department, financial accounting system, financial management system and bank account of the Company are independent and the Company pays taxes independently.

During the reporting period and as at date of this annual report, the Company has not provided undisclosed information to the substantial shareholders and the de facto controllers, and there were no other non-compliance governance issues.

本公司相對於控股股東在業務、人員、資產、組織架構及財務等方面之獨立情況

於二零二一年七月九日的本公司股權變動前，本公司之直接主要股東為China Great Bay Area Fund Management Company Limited及招商局工業集團有限公司(彼等之控股股東為招商局集團)及Great Wall International Investment V Limited(其由長城資產管理全資擁有)。前述的本公司股權變動後，China Great Bay Area Fund Management Company Limited及Great Wall International Investment V Limited不再是本公司主要股東。本公司具有獨立完整之業務體系及面向市場自主經營之能力。本公司與主要股東之間已實現了業務、人員、資產、組織架構及財務分開，各自獨立核算，獨立承擔責任和風險。

- (1) 業務方面：本公司之生產系統、採購系統、輔助生產系統及銷售系統完全獨立。本公司獨立擁有工業產權、商標、非專利技術等無形資產。
- (2) 人員方面：本公司勞工、人事及工資管理機構獨立、制度健全。本公司與主要股東之員工及高級管理層並無在股東單位雙重任職。本公司全體員工及高級管理層均獲本公司支付薪酬。
- (3) 資產方面：本公司與主要股東產權明晰，手續齊全。產權由本公司獨立管理。主要股東並無佔用、支配本公司資產或干預本公司之資產經營管理。
- (4) 組織架構方面：本公司董事會、監察委員會及其他內部機構健全，運作獨立。主要股東依法行使其權利，並承擔相應之義務，並無超越股東大會直接或間接干預本公司之經營活動。
- (5) 財務方面：本公司財務部門、財務會計體系、財務管理制度及銀行賬戶獨立，且本公司獨立繳稅。

於報告期內及本年報日期，本公司並無向主要股東及實際控制人提供未公開信息，亦無其他不合規之管治問題。

CORPORATE GOVERNANCE REPORT

企業管治報告

RISK MANAGEMENT AND INTERNAL CONTROL

The Board is responsible for risk management and internal control of the Company and for reviewing its effectiveness. Such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable but not absolute assurance against material misstatement or loss. Procedures have been designed for safeguarding assets against unauthorised use or disposition, ensuring the maintenance of proper accounting records for the provision of reliable financial information for internal use or for publication, and ensuring compliance with applicable laws, rules and regulations.

The Board, through the established internal audit function, conducts annual reviews on the effectiveness of the Group's internal control system, including risk management and internal control, as well as the resources of the Company's financial and accounting reporting departments, in accordance with the applicable legal requirements and other internal control regulatory requirements. The reviews include evaluation methods of the Company's qualifications and experience, as well as staff training and management budget.

During the Year, the Company has implemented a series of internal control system procedures and measures to strengthen internal control. The Board believes that there are no material internal control deficiencies that may affect the shareholders and an effective and adequate risk management and internal control system is in place to safeguard the assets of the Company. The Company will continue to enhance the system to adapt to changes in the business environment.

With respect to internal control for the handling and dissemination of inside information, the Company shall assess the circumstances under which inside information may arise from time to time and disclose inside information as soon as reasonably practicable in accordance with the Securities and Futures Ordinance and the Listing Rules. The Company conducts its business affairs with close regard to the "Guidelines on Disclosure of Inside Information" issued by the Securities and Futures Commission and imposes a strict prohibition on the unauthorised use of confidential or inside information by Directors, employees and other relevant persons (such as external service providers and project working team members).

It is the Company's development strategy to establish a risk management system covering all the business segments to monitor, assess and manage various risks in the Company's activities. The management has identified the following major risks and conducted regular review of industry, policy, operational and currency risks.

風險管理及內部監控

董事會負責本公司風險管理和內部監控及檢討其成效。該等制度乃為了管理而非消除未能達成業務目標的風險而設，並僅可就不會有重大錯誤陳述或損失作出合理而非絕對的保證。本公司設有程序保障資產以防未經授權使用或處置、確保妥善保存賬簿記錄以提供可靠的財務數據供內部使用或發佈，並確保遵守適用法律、規則及法規。

根據適用法律規定和其他內部監控監管要求，董事會(透過設立內部審核職能)每年審閱了本集團內部監控制度的成效，包括風險管理和內部監控，以及本公司財務及會計報告部門的資源。審閱涵蓋本公司資歷與經驗的評價辦法，以及員工所接受的培訓及管理預算等。

本公司於本年度實施了一系列內部監控制度程序及措施，以加強內部監控，董事會相信，並無重大的內部監控缺陷可能影響股東，而本公司已設有有效及充份的風險管理及內部監控系統以保障本公司的資產。本公司將繼續改善系統以適應營商環境的變化。

有關處理及發佈內幕消息的內部監控，本公司不時考慮可能構成內幕消息的情況並根據證券及期貨條例及上市規則在合理切實可行的範圍內盡快披露內幕消息。本公司在日常業務過程中嚴格遵循證券及期貨事務監察委員會發出的《內幕消息披露指引》，嚴禁董事、員工及其他相關人士(如外部服務供應商及項目工作組成員)在未經許可下使用機密資料或內幕消息。

本公司的發展策略為建立一個涵蓋所有業務分部的風險管理系統，以監察、評估及管理本公司活動中的多項風險。管理層已識別出下述主要風險並對行業、政策、經營及貨幣風險進行定期審閱。

RISK MANAGEMENT AND INTERNAL CONTROL

(Continued)

Major Risk Identified

Industry risk: In a market environment with over supply, oil and gas companies have been facing increasingly fierce competition, and lower demand will have certain impact on the operating results of the Company. In light of this, the Company will enhance operational efficiency, enrich its product portfolio, improve its product quality, put emphasis on value maximisation and increase its competitiveness. In addition, the Company has diversified its business from oil and gas exploration and development to plugging and abandonment and decommissioning.

Government policy risk: The oil and gas industry is one of the industries that the PRC Government supports in its 5-year development plan. The development of the Company will be affected by the direction of such policies which will have certain impact on the level of support from the PRC Government.

Operational risk: As stated in this annual report, the Company is dependent on a few customers. If the Company fails to secure new contracts from such customers, the Company's operating results will be affected significantly. In light of the above, the Company has established certain level of alliance with these customers to maintain long term relationships and to enhance the Company's future development.

Currency risk: The value of Renminbi is affected by the global economic and political environment which has led to a recent significant depreciation. As an international company, the Company usually signs its sales contracts in US dollar while production costs are denominated in Renminbi as its major production center is located in Mainland China. Given the nature of our business, the Company will use more domestic bank borrowings in order to mitigate its currency risk.

COMMUNICATION WITH SHAREHOLDERS AND INVESTOR RELATIONS

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted by show of hands. As such, all the resolutions set out in the notices of the general meeting will be voted by poll. Representatives of the share registrar of the Company are appointed as scrutineers to monitor and count the poll votes cast at each general meeting. The results of poll are published on the websites of the Stock Exchange and the Company, respectively.

風險管理及內部監控(續)

已識別之主要風險

行業風險: 在供過於求的市場環境下，石油及天然氣公司一直面臨越發激烈的競爭，而需求減少將對本公司經營業績造成一定程度的影響。有見及此，本公司將提高其經營效率，豐富其產品組合，提升其產品質量並著重於價值最大化及增加其競爭力。此外，本公司已豐富其業務，由石油及天然氣勘探及開發延伸至封堵及棄井與拆除。

政府政策風險: 石油及天然氣行業為中國政府五年發展計劃中支持的行業之一。本公司的發展將受到相關政策方向的影響，這些政策將對中國政府的支持程度造成若干影響。

經營風險: 如本年度報告所述，本公司依賴少數客戶。倘本公司未能從該等客戶中獲得新合約，本公司經營業績將受到重大影響。鑒於以上因素，本公司已與該等客戶建立若干程度的聯盟，以保持長期關係及提升本公司的未來發展。

貨幣風險: 人民幣的價值受全球經濟及政治環境影響，於最近已因而大幅貶值。作為一間國際公司，銷售合約通常以美元簽訂，而由於主要生產中心位於中國內地，生產成本以人民幣計值。鑒於我們的業務性質，本公司將使用更多國內銀行借款以降低其貨幣風險。

與股東之溝通及投資者關係

根據上市規則第13.39(4)條，股東於股東大會上之表決須以投票方式進行，惟主席真誠決定允許純粹與程序或行政事宜有關之決議案以舉手方式表決。因此，股東大會通告內所載之全部決議案將以投票方式表決。本公司的股份過戶登記處代表已獲委聘為監票人，以監察及點算各股東大會的票數。表決結果會分別於聯交所及本公司網站刊載。

CORPORATE GOVERNANCE REPORT

企業管治報告

COMMUNICATION WITH SHAREHOLDERS AND INVESTOR RELATIONS (Continued)

The Board recognises the importance of good communication with all shareholders. The general meetings of the Company provide an opportunity for communication between the shareholders and the Board. Separate resolutions are proposed at general meetings on each substantial issue, including the election of individual Directors. The chairman of the Board as well as the chairmen of the remuneration committee and audit committee or, in their absence and where applicable other members of the respective committees together with the external auditor are available to answer questions at the general meetings.

The Company continues to enhance communication and relationships with its investors. Designated Directors or senior management maintain regular dialogues with institutional investors and analysts to keep them abreast of the Company's developments. Enquiries from investors are dealt with in an informative and timely manner.

To promote effective communication, the Company also maintains a website www.cmicholding.com, where extensive information and updates on the Company's business development and operations, financial information and other information are posted.

SHAREHOLDERS' RIGHTS

Annual reports and interim reports offer comprehensive information to the shareholders on operational and financial performance whereas annual general meetings provide a forum for the shareholders to exchange views directly with the Board. The general meetings of the Company provide an opportunity for communication between the shareholders and the Board. The executive Chairman and board members of the Company attended the general meeting held on 21 May 2021 to answer questions.

To safeguard the shareholders' interests and rights, separate resolutions are proposed at general meetings on each substantial issue, including the re-election of the retiring Directors.

PROCEDURE FOR SHAREHOLDERS TO CONVENE AN EXTRAORDINARY GENERAL MEETING

Pursuant to Article 58 of the Articles of the Company, any one or more shareholder(s) holding not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company (hereinafter referred to as "the requisitionist(s)") shall at all times have the right, by written requisition to the Board or the Secretary of the Company, to require an extraordinary general meeting of the Company to be called by the Board for the transaction of any business specified in such requisition and such meeting shall be held within two (2) months after the deposit of such requisition. If within twenty-one (21) days of such deposit, the Board fails to convene such meeting, the requisitionist(s) himself/herself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

與股東之溝通及投資者關係(續)

董事會認為與所有股東進行良好溝通十分重要。本公司之股東大會為股東及董事會提供溝通機會。於股東大會上，將就各重大事項(包括選任個別董事)提呈獨立決議案。董事會主席及薪酬委員會與審核委員會主席或(在彼等缺席時)各委員會(倘適用)之其他成員連同外部核數師，將在股東大會上回答提問。

本公司不斷加強與投資者之溝通及關係。特定董事或高級管理人員與機構投資者及分析員定期對話，協助彼等瞭解本公司之發展。本公司會對投資者之查詢作出詳盡及適時之回應。

為促進有效溝通，本公司同時設有網站 www.cmicholding.com，以刊載詳盡數據及更新本公司之業務發展及經營、財務數據以及其他數據。

股東權利

年度報告和中期報告就營運及財務表現向股東提供全面的信息，而股東週年大會則為股東與董事會之間直接交流意見提供一個論壇。本公司之股東大會為股東及董事會提供溝通機會。本公司之執行主席與董事會成員出席了於二零二一年五月二十一日舉行之股東大會，並回答問題。

為保障股東的利益和權利，各項重大問題包括重選退任董事都須於股東大會上提呈獨立決議案。

股東召開股東特別大會之程序

根據本公司細則第58條，持有本公司已繳足股本(賦有於本公司股東上投票權)不少於十分之一股東(以下稱為「呈請人」)，可以於任何時候有權透過書面要求本公司董事會或秘書，要求董事會召開本公司股東特別大會以處理有關呈請指明的任何事項；而該會議須於遞交該呈請後兩(2)個月內舉行。倘董事未能於遞交呈請日期起計二十一(21)天內召開會議，則呈請人可以相同方式自行召開會議，而因董事會未能召開會議導致呈請人產生之一切合理開支，須由本公司向呈請人補償。

PROCEDURES FOR PUTTING FORWARD PROPOSALS AT GENERAL MEETINGS AND PUTTING ENQUIRIES TO THE BOARD

Save for the following, shareholders do not generally have a right to propose new resolutions at general meetings. Shareholders who wish to propose a resolution may request the Company to convene an extraordinary general meeting following the procedures set out in the paragraph headed “Procedure for shareholders to convene an extraordinary general meeting” above.

Where notice of a general meeting includes the election of Directors of the Company, any shareholder of the Company may propose the election of any person as a Director of the Company at the general meeting. Pursuant to Article 88 of the Articles of the Company, if a shareholder wishes to propose a person other than a retiring Director for election as a Director at any general meeting (including the annual general meeting), the shareholder should lodge a written notice (the “Nomination Notice”) at the Hong Kong share registrar or the head office of the Company and the minimum length of the period during which such notice is given shall be at least seven (7) days. If the Nomination Notice is submitted after the despatch of the notice of the general meeting appointed for such election, the period for lodgment of the Nomination Notice shall commence on the day after the despatch of the notice of the general meeting appointed for such election and end no later than seven (7) days prior to the date of such general meeting. The Nomination Notice must be accompanied by a notice signed by the person to be proposed of his/her willingness to be elected as a Director and such notice must also state the proposed person’s biographical details as required by Rule 13.51(2) of the Listing Rules.

Shareholders who put forward proposals at general meetings or wish to make inquiries to the Board about the Company may contact the head office in Hong Kong and/or the Hong Kong share registrar of the Company:

Head office in Hong Kong:	Room A, 31/F, Tower 2 Kowloon Commerce Centre No. 51 Kwai Cheong Road Kwai Chung, N.T., Hong Kong
Hong Kong share registrar:	Tricor Investor Services Limited Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong

於股東大會上提出動議及向董事會查詢之程序

除下述者外，股東一般無權於股東大會上提出新決議案。倘股東有意提出決議案，可遵循上文「股東召開股東特別大會之程序」一段所載程序要求本公司召開股東特別大會。

倘股東大會通告包括選舉本公司董事，本公司任何股東可於股東大會上推選任何人士為本公司董事。根據本公司細則第88條，倘股東有意於任何股東大會（包括股東週年大會）上推選退任董事以外人士為董事，則該股東應將書面通知（「提名通知」）遞交至本公司香港股份過戶登記處或總辦事處，而遞交該通知之最短期限須為至少七(7)天。倘提名通知乃於寄發有關該推選之股東大會通告後才遞交，則遞交提名通知之期間由寄發有關該推選之股東大會通告翌日起計至不遲於該股東大會舉行日期前七(7)天止。提名通知須附上所提名人士簽署表示願意被選舉為董事之通知，而該通知根據上市規則第13.51(2)條規定亦須列明所提名人士之履歷詳情。

股東如欲於股東大會上提呈建議或向董事會查詢有關本公司的事宜，可聯繫本公司香港總辦事處及／或香港股份過戶登記處：

香港總辦事處：	香港新界葵涌 葵昌路51號 九龍貿易中心 2座31樓A室
香港股份過戶登記處：	卓佳證券登記有限公司 香港皇后大道東183號 合和中心54樓

CORPORATE GOVERNANCE REPORT

企業管治報告

INVESTOR RELATIONS

The Company has established various communication channels with investors to provide updates on the latest business development and financial performance to maintain a high degree of transparency and to ensure equal dissemination of information.

The Company has always adopted a positive attitude in communicating with investors, the media and potential investors to increase the Company's brand recognition, strengthen investors' understanding and recognition of the Company, and ultimately realise the increase in shareholders' value.

The communication methods adopted by the Company include, but are not limited to:

Annual and interim reports
Online annual report
Annual general meeting and extraordinary general meeting
Investors' Roadshow

Announcements, press releases and circulars
Voluntary announcements
Media Press Conference
Investors' Conference

Industry analyst communication: The Company encourages analysts to publish their analysis reports actively to help investors evaluate the Company and its development opportunities and challenges.

Investor Relations Email: ir@cmicholding.com

The Company's website: www.cmicholding.com, which is the Company's main medium of marketing promotion media, displays comprehensively the information about the business and activities of CMIC.

Social Media: The Company also has a WeChat official account, on which it publishes company news, industry news, short films, photos and major events.

CONSTITUTIONAL DOCUMENTS

There was no change in the Company's constitutional documents during the Year.

投資者關係

本公司為投資者設立不同的溝通渠道，以更新最新業務發展及財務表現，以維持高度透明，且確保公平地披露信息。

本公司一貫採取積極的態度與投資者、媒體及潛在投資者進行溝通，以增加公司品牌認可度，加強投資者對公司的瞭解和認同，最終實現提高股東的價值。

本公司採用的溝通方式包括但不限於以下：

年度及中期報告
網上年報
股東週年大會及股東特別大會
投資者路演

公告、通告及通函
自願性公告
媒體見面會
投資者會議

行業分析師溝通：公司鼓勵分析師積極發表其分析報告，以助投資者對本公司及其發展機會與挑戰進行評估。

投資者關係專用電郵：ir@cmicholding.com

公司網站：www.cmicholding.com，公司網站是公司主要的市場推介媒體，全面展示了華商國際的業務及活動信息。

社交媒體：本公司擁有微信公眾號，並於微信公眾號發佈公司新聞、行業新聞、短片、照片及公司重大事件。

組織章程文件

於本年度，本公司組織章程文件並無變更。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

I. STANDARDS OF THE REPORT

This Environmental, Social, and Governance report (the “Report”) provides an annual update on the various aspects of environmental, social, and governance performance by CMIC Ocean En-Tech Holding Co., Ltd. (the “Company”) in the year ended 31 December 2021 (the “Year”).

The content of this Report was compiled in accordance with the “Environmental, Social and Governance Reporting Guide” as set out in Appendix 27 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as well as the actual conditions of the Group. This Report is published annually in each financial year together with the annual report of the Company for the year.

II. BACKGROUND INFORMATION ON THE COMPANY

The Company and its global subsidiaries (the “Group”) are principally engaged in asset investment and operations management of offshore engineering platforms, clean energy and technology investments, and the design, manufacture, installation and operation of the products and services of onshore and offshore drilling industries, including rigs, oilfield expendables and engineering services.

III. CORPORATE SOCIAL RESPONSIBILITY (CSR) VISION, ASPIRATIONS, POLICIES AND STRATEGIES

The Group is dedicated to becoming an outstanding corporate citizen in each of the communities it operates in around the world.

The Group recognises a high degree of social responsibility and awareness in environmental sustainability as key factors to the enterprise’s persistent growth and success.

The Group pursues the values of tolerance, openness, reliability and cooperation in both business development and social activities, and has introduced effective measures to ensure fulfilment of its social responsibility and implementation of its environmental policies in full. These areas of work involve the Group’s employees, business associates, supply chain partners, and community groups related to the Group’s business.

一. 報告準則

本環境、社會及管治報告(「本報告」)提供華商國際海洋能源科技控股有限公司(「本公司」)於截至二零二一年十二月三十一日止年度(「本年度」)環境、社會及管治各層面表現的年度最新情況。

本報告為根據香港聯合交易所有限公司證券上市規則附錄二十七所載之《環境、社會及管治報告指引》而編寫，以及按照本集團實際情況編寫而成。本報告為年度報告，每財政年度出版一次，並與該年的公司年報同時發佈。

二. 公司背景資料

本公司及其全球附屬公司(「本集團」)的主營業務為海洋工程平台資產投資及運營管理，清潔能源及科技投資，以及設計、製造、安裝及經營陸上和海洋鑽探行業的產品和服務，包括鑽機、油田耗材，以及工程服務。

三. 公司對企業社會責任的願景、抱負、政策及策略

本集團致力於在其營運的全球各區域內成為一個優秀的企業公民。

本集團堅信，高度的社會責任感與環境可持續發展意識是確保企業業務持續增長和成功的關鍵因素。

於本集團的業務拓展及社會活動當中，奉行寬容、開放、可靠和合作的價值觀念。本集團引入了有效措施以確保相關的社會責任及環境政策得以全面落實。這些工作涉及到本集團的員工、商業夥伴、供應鏈合作夥伴、以及與集團業務相關的社區團體。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

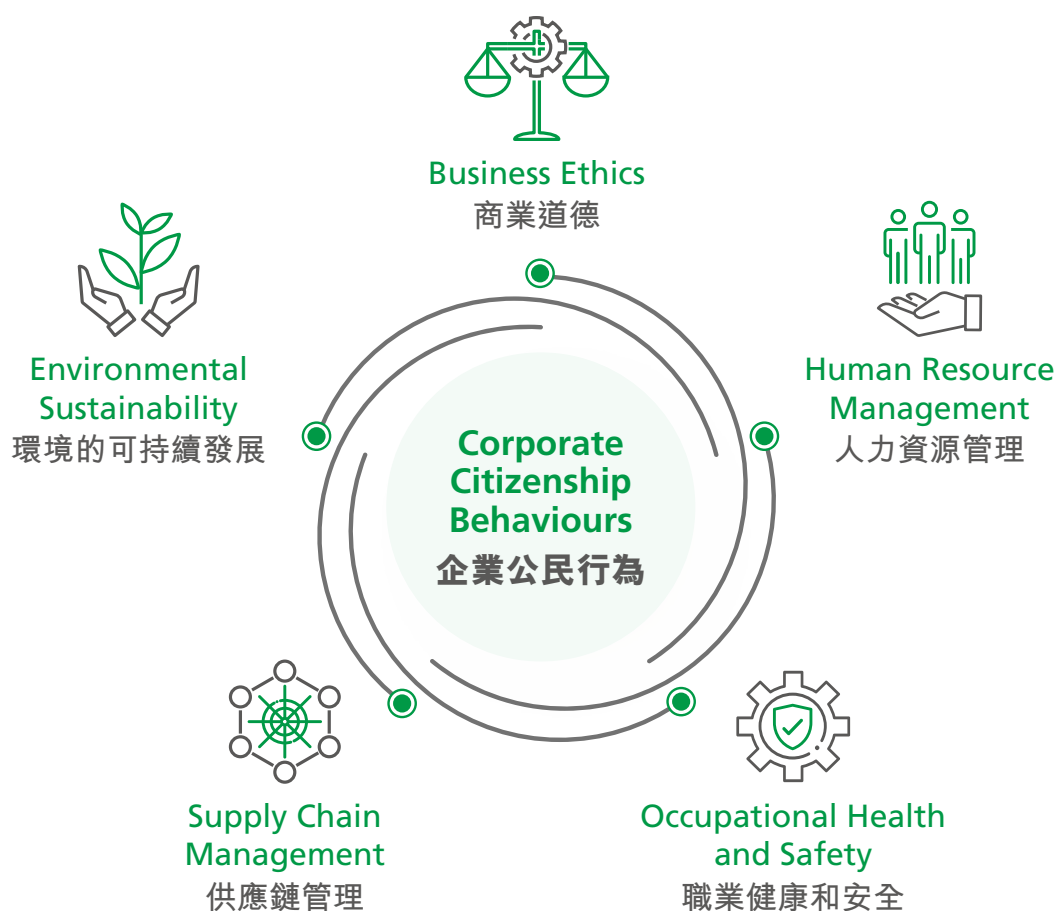
環境、社會及管治報告

III. CORPORATE SOCIAL RESPONSIBILITY (CSR) VISION, ASPIRATIONS, POLICIES AND STRATEGIES (Continued)

As a responsible corporate citizen, the Group is committed to adhering to ethical standards and fulfils its corporate social responsibility through the implementation of policies in 5 key CSR areas, which requires all of the Group's employees to actively participate and support. In particular, in terms of sustainable development of the environment, the Group focused on developing products and technologies for green energy services such as offshore wind power and hydrogen energy, and gradually expanded the business scale of the green energy sector through strategic transformation, so as to facilitate the early realisation of global climate action of net-zero emissions. Part VIII of this Report describes the Group's performance in the environmental, social and governance aspects for the Year.

三. 公司對企業社會責任的願景、 抱負、政策及策略(續)

作為負責任的企業公民，本集團致力於堅守道德標準，並透過實施5個企業社會責任關鍵範疇的方針，履行企業社會責任，並要求所有本集團員工積極參與及支持。特別在環境的可持續發展方面，本集團重點發展為海上風電、氫能等綠色能源服務的產品和技術，通過戰略轉型逐步擴大綠色能源板塊業務規模，助力全球淨零排放氣候行動早日實現。本報告的第八部分敘述本年度於環境、社會及管治各層面的表現。



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

IV. STATEMENT OF THE BOARD

To manage various ESG aspects effectively and efficiently, we have built a solid governance structure for the Group's ESG management which involves a ESG governance structure for which the Board assumes the ultimate responsibility and the professional ESG working group (the "Working Group") implements comprehensive supervision.

The Board and the Working Group are fully responsible for the Group's ESG strategy and reporting, including the formulation of the Company's overall ESG strategy, identification and evaluation of ESG risks, review of ESG management policies, review of ESG plans and goals, and consideration of ESG performance assessment. The Working Group is responsible for execution of daily operations and reporting major ESG issues to the Board. With this ESG management framework and clear governance procedures, the Board can effectively monitor ESG-related opportunities and risks within the Group.

From time to time, we obtain regularly updated information on environmental, social and governance trends and regulations and industry practices. Based on the external social and economic macro-environment and the Company's development strategy, we have always given priority to stakeholders' views, opinions and suggestions on environmental, social and governance management, and will conduct a materiality assessment and discussion on the formulation of environmental, social and governance strategies, determine the Company's risks and opportunities in respect of environment, society and corporate governance, and take the management and improvement of key issues as sustainable development strategy. Through the abovementioned efforts, we have been able to better understand and manage our environmental, social and governance risks, and achieve our goal of creating higher value for all stakeholders.

四. 董事會聲明

為有效及有效益地管理有關環境、社會及管治的各個範疇，我們構建了本集團的環境、社會及管治管理穩健的管治架構，該架構涉及董事會最終負責、專業ESG工作小組（「工作小組」）全面監督的ESG管治架構。

董事會及工作小組全面負責本集團的ESG戰略及報告事宜，包括公司整體ESG戰略制定、識別和評估ESG風險、審核ESG管理政策、審核ESG計劃和目標、審議ESG績效考核；工作小組負責日常營運執行行為及向董事會報告重大ESG問題。憑藉此ESG管理框架及清晰的管治程序，董事會可以有效地監察本集團內ESG相關機會及風險。

我們不時取得環境、社會及管治趨勢及規例及行業慣例的定期更新信息。基於外部社會經濟宏觀環境和公司發展戰略，我們一向優先考慮持份者就環境、社會及管治管理的觀點、意見及建議，並會就制定環境、社會及管治策略進行重要性評估，討論並確定公司在環境、社會和公司治理方面的風險與機遇，將重點議題的管理與提升作為可持續發展戰略工作。憑藉上述種種努力，我們得以更充分地了解及管理我們的環境、社會及管治風險，實現我們為所有持份者創造更高價值的目標。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

V. SCOPE OF THE REPORT

The content of this Report summarizes the Group's performance in terms of corporate social responsibility based on the reporting principles of "materiality", "quantification", "balance" and "consistency". Materiality: Stakeholder engagement and materiality assessment were conducted regularly to identify material ESG issues, and to ensure that these issues are addressed in the report; Quantification: The data presented in this Report has been carefully collected for standards and methodologies used for calculation of key performance indicators; Balance: Both positive and negative sides of the performance have been presented in a transparent manner; Consistency: Unless otherwise stated, the disclosures, data collection and calculation methods have remained consistent throughout the years to facilitate comparability over time. In order to optimize the reporting process and expand the scope of disclosure of the report, the Group has been proactively formulating effective ESG related policies, recording relevant data and implementing and monitoring various measures. This Report illustrates the ESG performance of the Group in achieving sustainable development in the future.

This Report covers the main production and operating activities that the Group deems significant (i.e. the environmental, social and governance conditions in Qingdao, the principal place of operation). The Group's operating sites in Qingdao are as follows:

- (1) Qingdao TSC Offshore Equipment Co., Ltd. (TSC-OE); and
- (2) TSC Oil and Gas Services Group Holdings Ltd (TSC-QD).

Unless otherwise specified, this Report covers the environmental, social and governance progress and performance in the Year.

VI. STAKEHOLDER ENGAGEMENT

The sustainable operation of the Group requires the joint efforts and support of all stakeholders. The interests, expectations and concerns of all parties are inseparable from the performance of the Group. Therefore, the Group's goal is to create an environment for sustainable development that is beneficial to enterprise development and the well being for stakeholders.

五. 報告範圍

本報告的內容根據「重要性」、「量化」、「平衡」及「一致性」的報告原則概述了本集團在企業社會責任方面的表現。重要性：定期進行持份者參與及重要性評估，以識別重大環境、社會及管治事宜，並確保該等事宜反映於我們的報告中；量化：本報告所呈列的數據乃經謹慎收集，用於計算關鍵績效指標的標準及方法；平衡：業務所帶來的正面及負面影響均以透明方式呈列；一致性：除另有說明者外，披露情況、數據搜集及計算方法於多年來一直保持一致，以便隨時進行比較。為優化報告的報告程序及拓大披露範圍，本集團一直主動制定有效的ESG相關政策，記錄相關數據並實施及監督各項舉措。本報告說明瞭本集團在實現未來可持續發展方面的ESG表現。

本報告涵蓋本集團認為意義重大的主要生產經營活動(即在主要營運地點青島的環境、社會及管治狀況)。本集團位於青島的營運地點如下：

- (1) 青島天時海洋石油裝備有限公司 (TSC-OE)；及
- (2) 青島天時油氣裝備服務集團有限公司 (TSC-QD)。

除另有明確說明外，本報告的內容覆蓋本年度有關環境、社會及管治的進展及表現。

六. 持份者的參與

本集團可持續經營需要所有持份者共同努力和支持。各方的利益、預期和顧慮與本集團的表現密不可分。因此，本集團的目標是締造一個對企業發展及持份者福祉皆有利的可持續發展環境。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

VI. STAKEHOLDER ENGAGEMENT (Continued)

The Group has always strived to promote communication with its stakeholders. The Group maintains open and continuous communication with relevant stakeholders including stakeholders and investors, employees, customers, community organisations, media and government bodies through various means to achieve transparency and develop mutual understanding of each other's aspirations for corporate social responsibility. Through communication with stakeholders, the Group is committed to identifying, assessing and managing environmental, social and governance-related risks, while ensuring that there is an effective internal monitoring system in place to deal with the risks identified, so that the Group can achieve sustainable development.

六. 持份者的參與(續)

本集團一直致力推動與持份者溝通。本集團過往透過多方面渠道與相關持份者，包括股東及投資者、僱員、客戶、社區組織、傳媒及政府機關等保持開放和持續的溝通，以達致公開透明，並互相了解其對企業社會責任的期望。透過與持份者聯繫溝通，本集團致力識別、評估及管理環境、社會及管治相關風險，同時確保訂有有效的內部監控制度以處理所發現的風險，促使集團能夠達到企業可持續發展的目標。

Key stakeholders 主要持份者	Main communication channels 主要溝通渠道
Customers 客戶	Visits and meetings 探訪會面 Telephone conferences 電話會議 Customer questionnaires 客戶問卷調查 E-mails 電子郵件
Employees 員工	Employee newsletters 員工通訊 Group intranet 集團內部網絡
Community organisations 社區組織	Volunteer activities 義工活動 Charitable activities 慈善活動 Unscheduled meetings with each organisation 與各組織不定期會面
Shareholders and investors 股東及投資者	Press release/business newsletter 新聞稿／業務通訊 Annual reports 年度報告 Company website 公司網站 Circulars 通函 Conference and communications 會議及通訊

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

VI. STAKEHOLDER ENGAGEMENT (Continued)

The Group has adopted the principle of materiality in the ESG reporting by understanding the key ESG issues that are important to the business of the Group. All the key ESG issues and key performance indicators (“KPIs”) are reported in the Report according to recommendations of the ESG Reporting Guide (Appendix 27 of the Listing Rules) and the Global Reporting Initiative Guidelines.

The Group has evaluated the materiality and importance in ESG aspects through the following steps:

Step 1: Identification – Industry Benchmarking

- Relevant ESG areas were identified through the review of relevant ESG reports of the local and international industry peers.
- The materiality of each ESG area was determined based on the importance of each ESG area to the Group through internal discussion of the management and the recommendation of the ESG Reporting Guide.

Step 2: Prioritisation – Stakeholder Engagement

- The Group discussed with key stakeholders on key ESG areas identified above to ensure all the key aspects to be covered.

Step 3: Validation – Determining Material Issues

- Based on the discussion with key stakeholders and internal discussion among the management, the Group’s management ensured all the key and material ESG areas, which were important to the business development, were reported and in compliance with the ESG Reporting Guide.

As a result of this process carried out during the reporting period, those important ESG areas to the Group were discussed in this Report.

六. 持份者的參與(續)

本集團通過了解對本集團業務而言屬重要的關鍵環境、社會及管治事宜，於環境、社會及管治報告中採用重要性原則。根據環境、社會及管治報告指引(上市規則附錄27)及全球報告倡議組織指引的建議，本報告就所有關鍵環境、社會及管治事宜以及關鍵績效指標(「關鍵績效指標」)作出匯報。

本集團已透過下列步驟評估環境、社會及管治方面之重大性及重要性：

步驟1：識別－制定行業基準

- 相關環境、社會及管治範疇已透過審閱當地及國際同業之相關環境、社會及管治報告識別。
- 各環境、社會及管治範疇之重要性乃根據透過管理層內部討論及環境、社會及管治報告指引建議之各環境、社會及管治範疇對本集團之重要性釐定。

步驟2：優先次序－持份者參與

- 本集團與主要持份者就上述識別之關鍵環境、社會及管治範疇進行討論，以確保涵蓋所有關鍵方面。

步驟3：驗證－釐定重要議題

- 根據與主要持份者之討論及管理層之間之內部討論，本集團管理層確保已呈報對業務發展屬重要之所有關鍵及重大環境、社會及管治範疇，且符合環境、社會及管治報告指引。

由於該流程於報告期間進行，對本集團屬重要之該等環境、社會及管治範疇已於本報告內討論。

VI. STAKEHOLDER ENGAGEMENT (Continued)

MATERIALITY ASSESSMENT

In 2021, the Group conducted a comprehensive materiality assessment. This involved conducting interviews and/or surveys with internal and external stakeholders to identify which areas have the most significant operating, environmental and social impacts towards their business. With reference to the scopes as required under the ESG Reporting Guide and taking into consideration of the corporate business characteristics, the Group has identified and confirmed 21 issues, which cover environmental, training and development, occupational health and safety, labour standards in supply chain, corporate governance, customer privacy, anti-corruption and community investments.

六. 持份者的參與(續)

重要性評估

二零二一年度，本集團開展全面的重要性評估，其中涉及對內外界持份者進行訪談及／或調查，以識別在營運、環境及社會方面對其業務最具影響之處。經參考環境、社會及管治報告指引所規定的範圍，並經考慮企業業務特點後，本集團已識別及確認21項事宜，涵蓋環境、培訓及發展、職業健康與安全、供應鏈勞工標準、企業管治、客戶私隱、反貪污及社區投資。

Environmental issues 環境事宜	Social issues 社會事宜	Operating issues 營運事宜
1. Greenhouse gas emissions 溫室氣體排放	8. Local community engagement 當地社區參與	16. Economic value generated 產生的經濟價值
2. Energy consumption 能源消耗	9. Community investment 社區投資	17. Corporate governance 企業管治
3. Water consumption 耗水	10. Occupational health and safety 職業健康與安全	18. Anti-Corruption 反貪污
4. Waste 廢棄物	11. Labour standards in supply chain 供應鏈勞工標準	19. Supply chain management 供應鏈管理
5. Saving energy measures 節能措施	12. Training and development 培訓及發展	20. Customer satisfaction 客戶滿意度
6. Use of raw materials and packaging materials 原材料及包裝材料的使用	13. Employee welfare 僱員福利	21. Customer privacy 客戶私隱
7. Compliance with laws and regulations relating to environmental protection 遵守有關環境保護的法例及規例	14. Inclusion and equal opportunities 共融及平等機會	
	15. Talent attraction and retention 吸引及挽留人才	

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VI. STAKEHOLDER ENGAGEMENT (Continued)

MATERIALITY ASSESSMENT (Continued)

六. 持份者的參與(續)

重要性評估(續)

ESG issues materiality matrix
環境、社會及管治事宜重要性矩陣圖



The materiality assessment results will provide the Group with guidance on formulating strategic objectives and plans to resolve the ESG issues for the coming year, as well as on continuing to push forward its sustainability development.

重要性評估結果將指導本集團制定來年的戰略目標及解決環境、社會及管治事宜的計劃，同時持續推進可持續發展進程。

VII. CORPORATE GOVERNANCE

The Board of the Group recognise that good corporate governance is an indicator of company modernisation, as well as a prerequisite to the sustainability of a business. Since inception, the Group has invested large amounts of resources and manpower into developing appropriate business management practices according to the needs of the business, enhancing the elements of corporate governance and incorporating them into its management structures and internal control procedures. The Group strives to maintain the highest level of ethics, so as to achieve the highest standards or best practices in all aspects of business activities, and to ensure that the Group's operations are fully compliant with relevant laws and regulations. Each Director believes that implementation of comprehensive and high standard corporate governance allows the Group to achieve greater efficiencies in all aspects of sustainable development, and to safeguard and maximise the interests of stakeholders.

七. 企業管治

本集團董事會認為，良好的公司管治是企業現代化的標誌，是企業可以持續發展的前提之一。一直以來，本集團投入大量的資源及人力，針對業務需求來制定適當的企業管理常規，不斷提升公司管治的本質，並將其納入管理架構和內部控制程序，致力保持最高的道德操守，使所有業務活動都能達致最高標準或最佳實踐，並確保本集團的行動能完全符合相關的法律與法規。各董事均認為，通過實現全面和高標準的公司管治，能令本集團於可持續發展的各個議題上更具效率，並能維護及提高持份者的利益。

VIII. PERFORMANCE OF ENVIRONMENTAL AND SOCIAL ASPECTS

(1) Human Resource Management Employment Policies

The Group has always strived to maintain equal employment opportunities. Every vacancy in the Group is publicly advertised online or via other appropriate channels. A fair selection process is conducted based on each applicant's competence, skills, etc. The Group will not refuse job applications because of attributes such as race, skin colour, gender, language, religion and/or political views, etc.

In order to attract more talents in various positions, the Group's remuneration system is based on job grade and performance. The wages paid by the Group and its other subsidiaries have reached the minimum wage standards of the regions in which the Group is operating. In addition to ensuring employees' stable income from the basic salary, the Group also provides bonuses in association with the employee's performance for recognition and retention of outstanding employees.

Furthermore, the Group purchases additional commercial insurance (covering critical illness, traffic accident, etc.) for those employees of certain seniority to offer them additional coverage. In addition, each mainland Chinese employee is entitled to sick leave benefit better than the statutory requirement. While the statutory requirement allows for a 30% deduction in employees' wages during a sick leave period, the Group provides employees with 6 days of paid sick leave in a year during which no wage deduction is required. Other employee benefits include free shuttle bus for pick-up and drop off, transport allowances, and phone allowances, etc.

The Group has always promoted the principle of work life balance and does not encourage overtime work. The Group strictly controls the number of overtime hours by requiring a review and approval process when overtime work is required, under which all overtime work must be approved by department managers and abide by the local labour laws.

The Group strictly complies with legal requirements relating to bilateral termination of employment contracts in each of its operating locations.

八. 環境與社會各範疇的績效

(1) 人力資源管理 僱傭政策

本集團一直堅持平等就業機會，每個職位空缺都會透過網上或其他合適的管道進行公開招聘，甄選過程按照各應徵者的能力、技能等要求公平地進行。本集團不會因為種族、膚色、性別、語言、宗教、政治等因素而拒絕個別應徵者的申請。

為了加強吸納各個職位的人才，本集團的薪酬制度以職級和表現為基礎。本集團及其他附屬公司的工資水平均達到業務當地的最低工資標準，除了保證員工基本薪酬的穩定收入，本集團更提供與員工績效掛鈎之獎勵，用作鼓勵及保留優秀員工。

除此之外，本集團會為部分已達到一定年資的員工購買額外的商業保險(包括重大疾病、交通意外等)，以提高對員工的額外保障。而且，每位國內員工可享有優於法定病假的福利，法定的病假期間個人工資須扣減30%，本集團則提供給員工一年共6天的有薪病假，病假期間無需扣減個人工資；其他的員工福利待遇還包括：免費班車接送、交通津貼、話費津貼等。

本集團一直提倡家庭與工作共融的原則，本集團不鼓勵超時工作，加班要求須通過審批流程來嚴格控制加班時數，任何加班都需要獲得部門經理的審批，並須遵守當地的勞工法例。

本集團嚴格遵守各營運所在地關於雙方終止僱傭合約時的法例要求。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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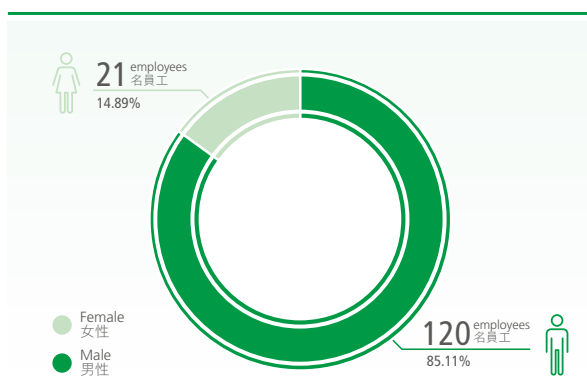
VIII. PERFORMANCE OF ENVIRONMENTAL AND SOCIAL ASPECTS (Continued)

(1) Human Resource Management (Continued) Employment Policies (Continued)

During the reporting period, the Group did not identify any legal violation or complaint relating to discrimination or other employment practices.

As of 31 December 2021, the Qingdao operation sites covered by this Report had 141 employees, all of whom were full-time employees. There were no part-time employees and 68.1% of them ranged in the age group of 31 to 45.

No. of employees per gender
按性別劃分的員工人數



The average monthly employee turnover rate for the Year, which represented a significant decrease as compared with 2020, is summarised as below.

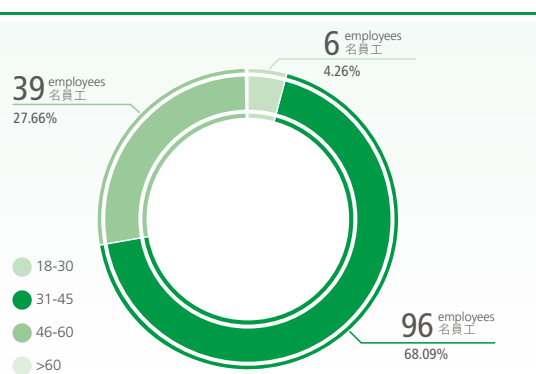
八. 環境與社會各範疇的績效(續)

(1) 人力資源管理(續) 僱傭政策(續)

在報告期內，本集團並無發現違反與歧視或其他僱傭相關法例的個案或投訴。

截至二零二一年十二月三十一日，本報告所包涵的青島營運地點僱用141名員工，所有皆為全職員工，無兼職員工，68.1%的員工處於31至45歲的年齡組別。

No. of employees by age group
按年齡組別劃分的員工人數



本年度的每月平均僱員流失率概述如下，與二零二零年作比較，本年度的員工流失率有大幅度下降。

No. of employees by type of employment
按僱傭類型劃分的員工人數



VIII. PERFORMANCE OF ENVIRONMENTAL AND SOCIAL ASPECTS (Continued)

(1) Human Resource Management (Continued)
Employment Policies (Continued)

八. 環境與社會各範疇的績效(續)

(1) 人力資源管理(續)
僱傭政策(續)

		2021	2020
		Average Monthly Employee Turnover Rate (%)	Average Monthly Employee Turnover Rate (%)
		二零二一年 每月平均 僱員流失率 (%)	二零二零年 每月平均 僱員流失率 (%)
Gender	性別		
Male	男性	0.89	1.63
Female	女性	0.40	2.89
Age group	員工年齡		
18-30	18-30	4.47	7.01
31-45	31-45	0.93	1.32
46-60	46-60	0.42	2.11
> 60	> 60	0	0
Overall average:	總平均：	0.82	1.82

Prohibition of Child Labour and Forced Labour

The Group strictly complies with the employment laws and regulations in each of its operating locations pertaining to child labour and forced labour. As a result, all job applicants are required to provide personal identification documents for verification. Prior to confirmation of employment contracts, the Group allows sufficient time for employees to read and understand the relevant terms and conditions, and contracts are to be signed only when employees fully understand the content.

During the reporting period, the Group did not identify any complaint or legal violation relating to child labour and forced labour.

防止童工及強制勞工

本集團嚴格遵守各營運所在地有關童工及強制勞工的僱傭條例等法律要求。因此，所有應徵者必須提供身份證明檔以作核實。本集團與員工訂立僱傭合約前必將給予充分時間供以閱讀及瞭解合約內容，在員工充分理解僱傭合約後，方才簽署有關合約。

在報告期內，本集團並無發現有關童工及強制勞工的投訴或相關的違規事件。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

VIII. PERFORMANCE OF ENVIRONMENTAL AND SOCIAL ASPECTS *(Continued)*

(1) Human Resource Management *(Continued)*

Employment Policies *(Continued)*

Career Development of Employees

The Group adheres to the principle of meritocracy and regularly provides its employees with promotion opportunities, which is based on a comprehensive evaluation of both the employee's work performance and competence. In addition, the Group also emphasises on training of potential talent, and the Group's internal training team is responsible for developing talent.

The Group is implementing two major training programs:

Cedar program: This program is designed to develop talents with high potential and establish teams of high performance. This program offers systematic training courses, and talent is developed in two aspects (managerial and technological) and four talent categories (high potential talent, global key talent, local key talent and technical expert). After accumulation of three to five years of work experience, trainees will become the backbone of the Group.

Spring rain program: This program is designed to develop the internal training team within the Company and to effectively pass on technology and promote the corporate culture of the Group. Through systematic training, the Group firstly trains up a group of influential staff through a 1 to 3 ratio training sharing model and such staff will then become a high performance training team after accumulation of three to five years of experience.

In 2021, the total number of employees at the Qingdao operation sites covered by this Report who received training reached 467 with a total of 1,287 training hours.

八. 環境與社會各範疇的績效(續)

(1) 人力資源管理(續)

僱傭政策(續)

員工職業發展

本集團貫徹「用人唯才」的原則，定期提供員工晉升機會。員工的升遷將參考其工作表現和能力兩方面進行勝任的評價。同時，亦注重培養具有潛力的人才，並交由集團內部的培訓人員專責發展其能力。

本集團正在實行兩大培訓計劃：

杉樹計劃：是發展高潛力人才，建立高績效團隊。此計劃為系統化的培訓課程，將人才的能力發展成兩個方向(管理和技術)及四類人才(高潛人才、全球關鍵人才、當地關鍵人才、技術專家)。學員通過三至五年的工作經驗累積，將發展為本集團的中堅力量。

春雨計劃：是培養公司內部的培訓團隊，有效地傳承技術和注入本集團的企業文化。通過系統化的培訓，首先發展一批有影響力的員工，通過1人帶3人的培訓分享模式，並累積三至五年的經驗，成為高績效的培訓團隊。

於二零二一年在本報告所涵蓋的青島營運地點，接受培訓的員工總人次數達467，合共1,287個培訓小時。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

VIII. PERFORMANCE OF ENVIRONMENTAL AND SOCIAL ASPECTS (Continued)

(1) Human Resource Management (Continued)

Employment Policies (Continued)

Career Development of Employees (Continued)

The following tables set forth the enhancement in performance achieved by the Group in terms of proportion of employees trained and the average number of training hours per employee during the Year as compared with last year:

八. 環境與社會各範疇的績效(續)

(1) 人力資源管理(續)

僱傭政策(續)

員工職業發展(續)

從下表可體現本年度集團在受訓僱員百分比及僱員平均培訓時數等兩方面的績效較去年水平有較大幅度提升：

Monthly Average Proportion of Trained Employees (%)
接受培訓的僱員的每月平均百分比(%)

		2021 二零二一年	2020 二零二零年	Change (%) 變化(%)
Gender	性別			
Male	男性	27.61	8.59	221%
Female	女性	24.68	8.23	200%
Employee Rank	僱員級別			
Senior management	高級管理層	26.39	6.06	335%
Middle management	中級管理層	21.58	9.27	133%
Junior employee	初級員工	27.52	8.59	220%
Overall average	總平均	27.16	8.53	218%

Monthly Average Training Time of Each Employee (hour)
每名僱員的每月平均培訓時數(小時)

		2021 二零二一年	2020 二零二零年	Change (%) 變化(%)
Gender	性別			
Male	男性	0.72	0.28	157%
Female	女性	0.91	0.29	214%
Employee Rank	僱員級別			
Senior management	高級管理層	0.84	0.69	22%
Middle management	中級管理層	0.94	0.21	348%
Junior employee	初級員工	0.71	0.42	69%
Overall average	總平均	0.75	0.41	83%

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

VIII. PERFORMANCE OF ENVIRONMENTAL AND SOCIAL ASPECTS *(Continued)*

(2) Occupational Health and Safety (OHS)

In order to continuously mitigate the impact of operations to occupational health and safety, the Group is not only committed adhering to the laws, regulations and industry standards as the baseline, and but also striving to achieve the safety targets of “Zero Occupational Disease” and “Zero Major of Casualties”.

All of the Group’s employees at or above managerial level, the labour union chairperson and OHS employee representatives are members of the Safety Committee which is responsible for the relevant occupational health and safety matters within the Group. The Group adheres to the “Stop Work” policy, which entitles any employee to stop work any time an employee’s safety is subject to risk in order to prevent the occurrence of work-related incidents.

The Group attaches great importance to employees. As an employer, we are committed to protecting the health and safety of all employees. We have comprehensive safety policies and measures to provide protection for employees. The Group strives to identify various opportunities for prevention of occupational disease through enhancement of the work environment. The Group also actively responds to advice given by employees in relation to occupational health and safety, recognises and rewards those employees who have contributed to the continual improvement in those areas. In addition, the Group also maintains close communication with all employees and relevant stakeholders on occupational health and safety, and has established multiple communication channels and models to ensure the health and safety of all employees.

The Group provides suitable personal protective equipment (PPE) free of charge to its employees including helmets, safety goggles, protective masks, safety gloves, safety belts and purifying respirators. For employees exposed to occupational disease hazards, including those who work in painting and shot blasting processes, the Group arranges annual, free-of-charge physical examinations by qualified medical institutions to ensure the health of employees. During the Year, the Group has arranged for a total of 62 employees to undertake physical examination, from which no case of occupational disease was diagnosed.

八. 環境與社會各範疇的績效(續)

(2) 職業健康和 safety

為了持續不斷地減少營運對職業健康和安全的影響，本集團承諾不單以符合法律、法規及行業規範為底線，更努力實現「零職業病」及「零重大傷亡事故」的安全目標。

本集團各經理級或以上的職員、工會主席、職業健康安全員工代表均出任為安全委員會成員，負責本集團有關職業健康與安全等事宜。並堅持「停止作業」方針：當員工人身安全受到威脅時，任何員工均賦予權力隨時停止作業，以防止工傷事故的發生。

本集團非常重視員工，作為僱主，我們致力於保護所有員工的健康與安全，我們有全面的安全政策和措施為員工提供保障，通過多方面的改善機會，努力改善工作環境，預防職業病的發生；並積極地響應員工提出關於職業健康與安全的意見，肯定及獎勵在職業健康與安全的議題上作出持續改進或貢獻的員工。此外，本集團亦與所有員工和相關持份者在職業健康和 safety 方面上保持密切溝通，建立多種溝通管道與模式，確保所有員工的健康與安全。

本集團免費為員工提供合適的個人勞動防護用品，如：安全帽、防護眼鏡、防護面罩、防護手套、安全帶、過濾呼吸器等。每年更為有職業病危害的員工，包括於噴漆、拋丸等工序的員工，每年安排合資格醫療機構為他們進行免費身體檢查，以確認員工的健康狀況；於本年度共安排了62名員工進行身體檢查，當中並未有發現職業病的確診個案。

VIII. PERFORMANCE OF ENVIRONMENTAL AND SOCIAL ASPECTS *(Continued)*

(2) Occupational Health and Safety (OHS)

(Continued)

In addition, the Group strives to raise the safety awareness of its employees through promotion on bulletin boards and posting of safety signs. More importantly, the Group has also established a safety training and education system and developed an annual training plan at the beginning of the Year. Occupational health and safety training courses are conducted regularly to its employees, and training topics include general occupational health and safety education, correct usage of personal protective equipment, and safety precautions for various hazardous work, such as trainings on occupational health and safety, safety of dangerous chemicals, safe use of gas, safety of welding, safety of welding operation, safety of painting operation, sand blasting operation and lifting operation, fire safety and safety of operation at heights. Taking into consideration various health and safety training programmes, the total number of the Group's employees trained in the Year was 631, reaching a total of 1,113 training hours. Moreover, the Group considers the mental well being of employees to be valuable assets, and has alleviated employees' working pressure through arrangement of various activities such as mental well being courses and group sharing, with a total of 13 cross-team exchange activities held in the Year.

Some of the subsidiaries within the Group (such as Qingdao TSC Offshore Equipment Co., Ltd.), have established and achieved the OHSAS 18001 safety management system. In accordance with the requirements of the management system certification, the Group has identified clearly the origins of dangers in the workplace and conducted risk assessment at those areas. Relevant companies have evaluated the workplace on the occupational hazards in plants in October 2020 for ensuring appropriate controls in all positions with hazards. In addition, the Group has established a 6S inspection system for regular check of workplaces and inspection of fire and electrical equipment, as well as formulation of plans for regular maintenance of equipment.

As of 31 December 2021, the Group identified neither any legal violation against the key regulations relating to occupational health and safety, nor any incident of work-related fatality or working days lost due to work-related injury. The Group had no employees involved in work-related fatalities in the past three years.

八. 環境與社會各範疇的績效(續)

(2) 職業健康和安全(續)

同時，集團致力提升員工的安全意識，除了通過佈告板及張貼安全標誌，更建立安全培訓與教育制度，年初開始制定年度培訓計劃，並且每年定期對員工進行職業健康與安全培訓；培訓主題包括一般職業健康與安全教育、勞動防護用品的正確使用方法、及各類高危工作的安全事項，如：職業健康安全培訓、危險化學品安全培訓、用氣安全培訓、焊接安全培訓、焊接作業安全、噴漆作業、噴砂作業、起重作業安全、消防防火安全、高處作業安全等；綜合各類健康與安全培訓，全年培訓共有631人次，達到1,113培訓小時。此外，本集團視員工的心理發展為企業的寶貴財富，通過開辦心理健康課程、團體交流等活動來舒緩員工在工作上所遇到的壓力，全年舉辦團隊交流活動共有13次。

本集團之部份附屬公司(如：青島天時海洋石油裝備有限公司)建立並獲得OHSAS 18001安全管理體系的認證。本集團根據體系的要求，詳細識別工作場所的危險源頭，並進行風險評估；相關公司已在二零二零年十月對工廠內工作環境職業危害因素進行檢測評估，確保所有危害的工作崗位都有適當監控。除此之外，集團制定6S檢查制度，定期檢查工作場所，及對設備進行消防與電氣檢測，並制定計劃，對設備進行定期保養。

截至二零二一年十二月三十一日，本集團沒有發現或收到任何嚴重違反職業健康與安全相關法例的報告，亦沒有發現因工作關係而死亡和因工傷而損失的工作日數的事故。過去三年，本集團並無員工涉及因工死亡事故。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

VIII. PERFORMANCE OF ENVIRONMENTAL AND SOCIAL ASPECTS *(Continued)*

(3) Supply Chain Management

The Group adopts the QHSE criteria for supply management, through which its suppliers are selected with their performance of corporate social responsibility as one of the evaluation criteria. Suppliers are required to sign and comply with the code of supplier's conduct established by the Group, which contains clauses relating to environmental protection, anti-bribery, etc. The Group also actively encourages communication with the suppliers through multiple channels (including telephone, e-mail, questionnaire, and training, etc.) to elaborate the Group's requirements of corporate social responsibility by promoting the mutual benefits from fulfilment of the responsibility.

The process of manufacturing equipment for onshore and offshore drilling rig and wind power installation platform is extremely complex and tedious, involving the assembly of fine and complex parts, and the threshold and qualification requirements for suppliers are very high, which requires standardized work processes and stable supply chains to ensure consistency. In order to ensure that the quality of equipment produced is consistent and maintained at a high level, we must have effective supply chain management, and establish a sustainable relationship with suppliers of materials, electronic parts, equipment, services, etc. Therefore, the Group strictly follows internal procedures to communicate with suppliers and ensure that the required goods and services are purchased in a competitive, fair and transparent manner. As quality, environmental protection, service and cost performance are the key indicators for the Group's assessment of suppliers, the Group has developed a systematic supplier management system to manage its supply chain to identify, analyze, select and manage suppliers based on clear criteria.

Distribution of Suppliers

The Group has qualified supplier quality assurance personnel (SQA) to evaluate suppliers in various aspects on a regular basis, and to conduct audits on specified suppliers for ensuring the compliance of their operations with the Group's requirements. As of 31 December 2021, there was a total of 771 qualified suppliers for provision of materials to the Group, which are mainly based in China, the United States and Ireland.

八. 環境與社會各範疇的績效(續)

(3) 供應鏈管理

本集團的供應管理採用QHSE準則，在挑選相關供貨商時，以其企業社會責任的表現作為其中的評估準則。供貨商須簽訂並遵守本集團所制定的供貨商守則，當中包括環境保護、反賄賂條款等。本集團也主動鼓勵供貨商進行溝通，透過多種渠道(包括電話、電子郵件、調查問卷及培訓等)向供貨商講解本集團對社會責任的要求，促使雙方都因達到企業社會責任的要求而獲益。

製造陸上和海洋鑽井平台、以及風電安裝平台的設備工序極為複雜龐大，涉及組裝微細而繁複的零件，而且對供應商的門檻和資質要求很高，這都需要標準化的工作流程及穩定的供應鏈，以確保貫徹如一。為保證生產的設備質量始終如一，維持在高水平，我們必須具備有效的供應鏈管理，並與材料、電子零件、設備及服務採購方面的各類供貨商建立可持續的關係。因此，本集團嚴格遵循內部程序，與供貨商溝通並確保所需貨物及服務以具競爭力、公平及透明的方式買賣。由於質量、環保、服務與性價比乃本集團評估供貨商的關鍵指標，因此，本集團制定有系統的供貨商管理制度管理其供應鏈，以基於明確的標準甄別、分析、挑選及管理供貨商。

供貨商分佈

本集團有專業的供貨商管理人員(SQA)定期對供貨商進行多方面的評估，並且每年對指定的供貨商進行審核，以確認它們的營運滿足本集團規定的要求；截至二零二一年十二月三十一日，共有771家合資格供貨商向本集團提供物料，供貨商主要來自中國、美國及愛爾蘭等地區。

VIII. PERFORMANCE OF ENVIRONMENTAL AND SOCIAL ASPECTS *(Continued)*

(3) Supply Chain Management *(Continued)*

Evaluation of Social Responsibility/Environmental Performance Aspects

Apart from considering the aforesaid scope of evaluation, the Group gives priority to local suppliers possessing the same qualities to support the reduction in emission of greenhouse gases. The proportion of local suppliers currently accounts for approximately 98% of the total supply base, and overseas procurement will be made only when suitable local suppliers are not available. Moreover, some suppliers are subject to the evaluation of social responsibility/environmental performance aspects, and approximately 93% of the Group's suppliers have fulfilled those evaluation requirements in the Year.

Results Supplier Evaluation

During the Year, the Group has engaged 45 new suppliers. They had passed through the evaluation prior to procurement, and some of them were additionally required to go through on-site assessment for ensuring compliance with the requirements of the Group and its customers. Moreover, each of the Group's existing suppliers is also subject to annual evaluation for continued monitoring of their performance. Those existing suppliers which may have significant impact on the Group's operations are even subject to on-site assessment. In 2021, 45 new suppliers and 461 existing suppliers passed the on-site assessment.

(4) Environmental Sustainability

In response to the environmental risks faced by the country and the national policies, the Group is committed to being a responsible enterprise to implement policies for prevention of environmental pollution, even though the industry in which the Group operates does not cause significant pollution.

The Group's environmental protection policy includes the 3R principle, namely Reduce, Reuse and Recycle, as well as the effective use of materials and energy.

The Group actively responds to employees' opinions on environmental issues, and recognises and rewards those employees who have made continuous improvement or contribution to environmental protection, thereby raising the awareness and sense of responsibility of employees and stakeholders towards the surrounding environment.

八. 環境與社會各範疇的績效(續)

(3) 供應鏈管理(續)

社會責任／環保績效方面的評估

在考慮上述評審範圍的同時，為支持減少溫室氣體的排放，本集團會優先考慮有相同條件的本地供貨商；目前本地供貨商的佔比約98%，只有在沒有合適本地供貨商的時候，才會向海外採購；並且部分相關的供貨商需接受社會責任／環保績效方面的評估，本年度約有93%的供貨商通過這些評估要求。

供貨商評估成果

本年度新增了45家供貨商，在採購前均通過本集團的評估，部分更被要求通過現場評審，確保符合本集團及客戶的要求。此外，每家現有的供貨商也通過年度評估，以持續監察其表現；對集團營運有重要影響的供貨商更須接受現場評審，於二零二一年共有45家新供貨商及461家現有供貨商通過現場評審。

(4) 環境的可持續發展

因應國家所面臨的環境風險及國家政策，儘管本集團的行業不會嚴重地造成污染，但作為一家負責任的企業，本集團也致力落實防治環境污染的政策。

本集團的環境保護方針包括3R原則，即減少(Reduce)、再利用(Reuse)和循環再造(Recycle)，及有效地使用材料和能源。

本集團積極響應員工提出與環境範疇相關的意見，並肯定及獎賞在環境保護方面作出持續改進或貢獻的員工，藉此加深員工和持份者對外圍環境的理解及責任感。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

VIII. PERFORMANCE OF ENVIRONMENTAL AND SOCIAL ASPECTS *(Continued)*

(4) Environmental Sustainability *(Continued)*

Emission Reduction Policy

I. Reduction of Exhaust Gas Emissions

Environmentally-friendly materials were used when the Group renovated its office buildings, and indoor air quality testing was performed before the use of the office. Office operation commenced only when the air quality test results satisfied the specified standards. Spray-painting and shot-blasting facilities were the main sources of exhaust gas in the operation process. To mitigate the pollution from the exhaust gas, spray-painting and shot-blasting facilities are equipped with ventilation, dust-removal, poison-removal and filtration systems. The spray-painting facilities adopt water curtain + activated carbon + filter cotton to filter exhaust gas in three stages, and the shot-blasting facilities adopt bag dust removal + cyclone dust removal. Exhaust gas is discharged after meeting the requisite standards. Exhaust emissions from operation are tested on a regular basis.

II. Reduction of Greenhouse Gas (GHG) Emissions

Meanwhile, the Group recognises that the emission of GHG is one of the main causes of the current global warming, and energy consumption is key source of GHG. In order to slow down the progress of global warming, the Group has adopted various policies and measures to control the consumption of energy, thereby reducing GHG emissions, which includes:

1. Prioritising the use of equipment and products of low energy consumption and high efficiency;
2. Considering the use of renewable energy, whenever appropriate;
3. Avoiding unnecessary business trips to reduce carbon emission generated by transportation;
4. Prioritising the engagement of local suppliers to reduce energy consumption resulting from the transportation of cargoes;
5. Promoting the importance of "Reducing Carbon Emissions" along the supply chain.

八. 環境與社會各範疇的績效(續)

(4) 環境的可持續發展(續)

減少排放政策

I. 減少廢氣排放

本集團的辦公大樓在裝修時採用環保材料，並於使用前進行空氣質量檢測，確保合格後才投入使用。在營運過程中，噴漆廠房和拋丸廠房為廢氣的主要排放源頭；為了減少廢氣污染環境，噴漆廠房和拋丸廠房均設置通風除塵、除毒及過濾系統，噴漆廠房採用水幕+活性炭+過濾棉三級過濾廢氣，拋丸廠房採用布袋除塵+旋風除塵，廢氣合格後排放，並定期對營運時所排放的廢氣進行檢測。

II. 減少溫室氣體(GHG)排放

與此同時，本集團亦深切理解溫室氣體是造成現時全球暖化的元兇之一，而溫室氣體的主要源頭來自能源的消耗。為了減慢暖化的情況，本集團採取多方面的政策與措施以管控能源的消耗，藉此減少溫室氣體的排放：

1. 優先選擇低能源消耗及高能源效益的設備及產品；
2. 如情況合適，考慮採用可再生能源；
3. 避免不必要的差旅，降低因差旅而乘搭交通工具所導致的碳排放；
4. 優先選用本地供貨商，減低因貨物運輸而產生的能源消耗；
5. 於供應鏈當中推廣「減少碳排放」的重要性。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

VIII. PERFORMANCE OF ENVIRONMENTAL AND SOCIAL ASPECTS (Continued)

(4) Environmental Sustainability (Continued) Emission Reduction Policy (Continued)

II. Reduction of Greenhouse Gas (GHG) Emissions (Continued)

Through achievement of the aforesaid measures, the following table sets out the emission volume from the main GHG emission sources of the Group's operating sites in Qingdao covered by this Report during the Year:

GHG Emission Sources		Consumption in 2020 二零二零年 耗量	Consumption in 2021 二零二一年 耗量	GHG Emission Volume (equivalent of carbon dioxide in tonnes) 溫室氣體排放量 (噸二氧化碳當量)	
				In 2020 二零二零年	In 2021 二零二一年
Scope 1	範圍1				
Diesel consumption (litres) ¹	柴油耗量(公升) ¹				
Mobile source	流動源	4,610	5,410	12.78	15.00
Fixed source	固定源	17,278	24,314	45.21	63.62
Gasoline consumption (litres) ¹	汽油耗量(公升) ¹				
Mobile source	流動源	8,202	19,306	22.21	52.28
Total propane consumption (kg) ¹	丙烷總耗量(公斤) ¹	3,650	7,286	11.01	21.98
Acetylene consumption (kg) ¹	乙炔耗量(公斤) ¹	1,926	2,895	6.52	9.80
Sub-total 1	小計1			97.73	162.68
Scope 2	範圍2				
Power consumption of manufacturing facilities (kWh) ²	製造設施耗電量 (千瓦時) ²	2,170,660	1,235,640	1,755.2	1,163.85
Sub-total 2	小計2			1,755.2	1,163.85
Total GHG emissions	溫室氣體的排放總量			1,852.93	1,326.53
Production volume (tonnes)	生產量(噸)			1,879.3	2,251.70
GHG emission intensity	溫室氣體排放密度			0.99	0.59
				(equivalent of carbon dioxide in tonnes/ tonnes) (噸二氧化碳 當量/噸)	(equivalent of carbon dioxide in tonnes/ tonnes) (噸二氧化碳 當量/噸)

Scope 1: It represents the gasoline and diesel oil consumed by motor vehicles, propane, acetylene and diesel consumed in production. Conversion is in accordance with the CO₂e emissions factors in HKEX Reporting Guidelines.

Scope 2: It represents the electricity purchased from power suppliers. The emission factors used are the latest available factors: the Ministry of Ecology and Environment of the People's Republic of China – "Baseline Emission Factors of Power Grid in Northern China Region (華北區域電網基準線排放因子)" (2019) 0.9419 tCO₂/MWh.

For the financial year 2021, the Group's total GHG emissions decreased by approximately 28% as compared with the financial year 2020, and the GHG emission intensity decreased by approximately 40%. For the financial year 2022, the Group's target is to present a downward trend in GHG emissions.

八. 環境與社會各範疇的績效(續)

(4) 環境的可持續發展(續) 減少排放政策(續)

II. 減少溫室氣體(GHG)排放(續)

透過實踐以上措施，下表顯示本年度集團於本報告所包涵的青島營運地點內主要溫室氣體源頭的排放量：

GHG Emission Sources		Consumption in 2020 二零二零年 耗量	Consumption in 2021 二零二一年 耗量	GHG Emission Volume (equivalent of carbon dioxide in tonnes) 溫室氣體排放量 (噸二氧化碳當量)	
				In 2020 二零二零年	In 2021 二零二一年
Scope 1	範圍1				
Diesel consumption (litres) ¹	柴油耗量(公升) ¹				
Mobile source	流動源	4,610	5,410	12.78	15.00
Fixed source	固定源	17,278	24,314	45.21	63.62
Gasoline consumption (litres) ¹	汽油耗量(公升) ¹				
Mobile source	流動源	8,202	19,306	22.21	52.28
Total propane consumption (kg) ¹	丙烷總耗量(公斤) ¹	3,650	7,286	11.01	21.98
Acetylene consumption (kg) ¹	乙炔耗量(公斤) ¹	1,926	2,895	6.52	9.80
Sub-total 1	小計1			97.73	162.68
Scope 2	範圍2				
Power consumption of manufacturing facilities (kWh) ²	製造設施耗電量 (千瓦時) ²	2,170,660	1,235,640	1,755.2	1,163.85
Sub-total 2	小計2			1,755.2	1,163.85
Total GHG emissions	溫室氣體的排放總量			1,852.93	1,326.53
Production volume (tonnes)	生產量(噸)			1,879.3	2,251.70
GHG emission intensity	溫室氣體排放密度			0.99	0.59
				(equivalent of carbon dioxide in tonnes/ tonnes) (噸二氧化碳 當量/噸)	(equivalent of carbon dioxide in tonnes/ tonnes) (噸二氧化碳 當量/噸)

範圍1：指汽車消耗的氣油和柴油，生產消耗的丙烷、乙炔、柴油。轉換符合香港聯交所報告指引中的二氧化碳量排放因子。

範圍2：指自電力供應商購買的電力，所用排放因子為最新可用因子：中華人民共和國生態環境部－「華北區域電網基準線排放因子」(2019) 0.9419 tCO₂/MWh。

本集團於二零二一財年，溫室氣體排放總量相較二零二零財年下降約28%，溫室氣體排放密度下降約40%。二零二二財年，本集團目標為溫室氣體排放指標呈下降趨勢。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

VIII. PERFORMANCE OF ENVIRONMENTAL AND SOCIAL ASPECTS (Continued)

(4) Environmental Sustainability (Continued)

Emission Reduction Policy (Continued)

III. Reduction of Wastewater Discharge

The processes and technology adopted in the Group's operations do not involve significant water consumption or discharge of wastewater. Water is reused in the exhaust gas treatment system in spray-painting process. Therefore, the Group's discharge of wastewater mainly involves daily office operations. In view of this, water conservation signs are put up in washrooms, pantries, canteens and dormitories to raise employees' awareness of resource conservation for reducing sewage generation.

IV. Reduction of Solid Wastes

The Group has maintained a high degree of management over reducing leakage of various oil products, thereby reducing generation of related wastes. Through lean production, the containers for paints with low consumption were changed to small containers to reduce the amount of hazardous wastes such as waste paint residues and paint containers used. In addition, the Group also upgraded its processes to reduce the generation of hazardous wastes, such as the adoption of centrifugal casting process to fully prevent the release of asbestos wastes.

The operating sites covered in this Report generated a total of 110.08 tonnes of non-hazardous waste during the Year, and the types and distributions of these wastes are set out in the following table. Currently, the main identified hazardous wastes included: waste paint residues, scrap paint containers and waste mineral oils. The cumulative volume of all such wastes reached 11.44 tonnes. The Group recovers waste paint residues through the water curtain system, and reduced waste paint residues by 4.17 tonnes in 2021. The Group also uses cyclone dust removal and bag dust removal to reduce exhaust gas and dust particles. The total amount of waste reduced in 2021 was 6.03 tonnes.

八. 環境與社會各範疇的績效(續)

(4) 環境的可持續發展(續)

減少排放政策(續)

III. 減少廢水排放

於本集團營運中所採用的工藝與技術，並不涉及大量用水及廢水排放，噴漆廢氣處理裝置所使用的皆為循環用水；因此，集團的廢水排放主要涉及日常的辦公室運作，為此集團在洗手間、茶水間、食堂以及員工宿舍等各用水區域張貼「節約用水」標誌，以提高員工的節約意識，減少污水的產生。

IV. 減少固體廢棄物

本集團一直維持高度管理，減少各種油品類的泄漏，從而減少造成相關的廢物產生；並通過精益生產，將用量少的油漆改為小包裝，減少廢油漆渣和油漆桶等有害廢棄物的數量；此外，集團亦藉著提升工藝以減少有害廢棄物的產生，譬如利用離心鑄造的工藝，全面防止石棉廢物的排放。

本報告所涵蓋的營運地點於本年度合共產生110.08噸的無害廢棄物，其種類及分佈如下表所示；目前被確認的主要有害廢棄物包括：廢油漆渣、廢油漆桶及廢礦物油，全年累計11.44噸。集團透過水幕系統回收廢油漆渣，在二零二一年期間所減少的廢油漆渣達4.17噸。集團同時利用旋風除塵和布袋除塵減少廢氣和粉塵顆粒，在二零二一年期間所減少的廢物總量達6.03噸。

Type of Waste 廢棄物種類	Total volume (tonnes) 全年總量(噸)		Emission intensity per tonne of production unit 每噸生產單位的 排放密度	
	In 2020 二零二零年	In 2021 二零二一年	In 2020 二零二零年	In 2021 二零二一年
	Hazardous wastes 有害廢棄物	7.81	11.44	0.004
Non-hazardous wastes 無害廢棄物				
Scrap steel 廢鋼材	39.67	67.95	0.021	0.030
Scrap paper cartons 廢紙殼包裝	2.76	3.33	0.001	0.001
Scrap wooden boxes 廢木包裝箱	3.56	6.38	0.002	0.003
Domestic wastes 生活垃圾	30.54	32.42	0.016	0.014

VIII. PERFORMANCE OF ENVIRONMENTAL AND SOCIAL ASPECTS *(Continued)*

(4) Environmental Sustainability *(Continued)* Emission Reduction Policy *(Continued)*

IV. Reduction of Solid Wastes *(Continued)*

For the financial year 2021, the Group's total waste emissions and the emission intensity both increased slightly, mainly due to the increase in the number of packaging and transportation without human contact under the epidemic of COVID-19. For the financial year 2022, the Group will continue to strengthen the improvement measures and management approaches of waste emissions, aiming to present a downward trend from financial year 2021.

Handling of Hazardous Wastes

The Group develops a plan for hazardous waste management on an annual basis, and sets waste quantity targets for all relevant departments. Regular assessment is conducted and appropriate control measures are implemented for waste reduction where necessary. To cooperate with relevant management efforts, the Group arranges for the classification of hazardous wastes, puts up signs of hazardous wastes in the storage area, and engages qualified subcontractors for proper handling.

Reuse of Wastes

The Group keeps strengthening quality control to reduce wastes resulting from non-conforming products, and is striving to extract steel materials from wastes for "non-production" usage. Through this approach, a total of 8.2 tonnes of steel materials was reused throughout the Year. In addition, scrap iron chippings generated during the processing stage was also reused by the Group for casting production.

Recycle of Wastes

In order to effectively handle recyclable wastes, the Group requires employees to classify relevant wastes and affix them with appropriate labels, which facilitates collection and periodic delivery to the qualified subcontractors for recycling and disposal. One of the examples is the handling of scrap product packaging cartons, in respect of which the Group follows the abovementioned policy and engages qualified agencies for collecting and recycling of such paper wastes. The total amount of such wastes recycled during the Year was 3.64 tonnes.

八. 環境與社會各範疇的績效(續)

(4) 環境的可持續發展(續) 減少排放政策(續)

IV. 減少固體廢棄物(續)

本集團於二零二一財年的廢棄物排放總量和排放密度均略有增加，主要原因是新冠疫情下無人員接觸包裝運輸數量增加，二零二二財年，本集團將繼續加強廢棄物排放改進措施和管理辦法，目標比二零二一財年呈下降趨勢。

有害廢棄物處置

本集團編製年度有害廢棄物的管理計劃，及訂立各相關部門的廢棄物數量指標，並進行定期評估，必要時採取相應的控制措施，減少廢棄物的產生。為了配合相關管理，集團安排有害廢棄物的分類，在儲存區域貼上有害廢棄物的標誌，最後委託合資格的分包商作合適處置。

廢棄物再利用(Reuse)

集團持續加強質量控制，減少因產品質量不符所造成之浪費；並且致力將廢品中的鋼材回收利用作「非生產」用途；通過此回收全年共節省8.2噸鋼材；另外，於加工過程中所產生的廢鐵屑，集團亦將它們回收及重新用於鑄造生產。

廢棄物循環再造(Recycle)

為了將可再造的廢物有效處置，集團要求員工對相關廢棄物進行分類，並貼上合適標誌，以便收集及定期交給合資格的分包商作回收和處置；其中一個例子應用於廢棄的產品包裝紙箱，集團按此原則委託並交給合資格機構，把收集的紙質類廢品進行循環再生，於本年度回收此類廢品進行循環再生總量為3.64噸。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

VIII. PERFORMANCE OF ENVIRONMENTAL AND SOCIAL ASPECTS (Continued)

(4) Environmental Sustainability (Continued)

Effective Use of Resources

The Group consumes resources mainly through material procurement, product manufacturing and office operations, and has formulated policies in these 3 aspects for managing the effective use of resources and reducing wastage:

Green Procurement Policy:

綠色採購政策：

Green Manufacturing Policy:

綠色製造政策：

八. 環境與社會各範疇的績效(續)

(4) 環境的可持續發展(續)

有效使用資源

本集團的資源應用主要源於物料採購、產品製造及辦公室運作；針對此三方面，集團制定相關政策，以規範資源的有效使用及減少浪費：

Environmental safety assessments shall be conducted before procurement of chemicals. Toxic and hazardous products shall be substituted by products that are non-toxic or of low-toxicity; 採購化學品時，應首先進行環保安全評估，以無毒或低毒性產品取代有毒或有害產品：

The manufacturing process mainly involves consumption of energy, use of raw materials and use of water for exhaust gas treatment. In view of this, the Group has formulated policies to address issues in these three aspects:

製造過程主要涉及能源的耗用、原材料的使用及廢氣處理的用水，故此政策對應這三個層面：

- i) Newly purchased equipment shall meet the national energy consumption level, and purchase of high energy consumption equipment listed in the national phase-out catalogue is prohibited.
i) 新採購的設備需滿足國家的能耗等級，禁止採購國家淘汰目錄裡的高能耗設備。
- ii) Technological processes shall be optimised for improving utilisation of steel and reducing the amount of scrap steel material, and for the use of materials, the Group shall strive to recycle scrap product packaging cartons. These policies help with reduction in both waste generation and consumption of paper resources.
ii) 優化工藝流程，提高鋼材使用率，減少廢棄鋼材的數量；在物料的使用上，集團致力循環利用廢棄的產品包裝紙箱，此措施一方面減少排放廢物，同時亦可節省紙質資源。
- iii) In the spray-painting process of the Group's factories, the exhaust gas treatment system currently in use is designed to absorb exhaust gas through water recycling, thereby reducing the use of fresh water supply. This saved 168 cubic metres of fresh water throughout the Year.
iii) 在集團工廠的噴漆過程中，目前正在使用的廢氣處理系統，藉着水循環再用以吸收廢氣，減少使用新鮮供水，本年度共節省168立方米的新鮮供水。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

VIII. PERFORMANCE OF ENVIRONMENTAL AND SOCIAL ASPECTS (Continued)

(4) Environmental Sustainability (Continued) Effective Use of Resources (Continued)

Green Office Policy:

綠色辦公室政策：

Major resources consumed by the Group during the Year are listed as follows. Electricity remained as the main resource consumed.

Resources 資源		Consumption in 2020 二零二零年 耗量	Consumption in 2021 二零二一年 耗量	Intensity of consumption per tonne of production unit 每噸生產單位的 耗用密度	
				In 2020 二零二零年	In 2021 二零二一年
Municipal Electricity (kWh)	市電(千瓦時)	2,230,960	1,941,240	1,187.12	862.12
Fresh water (cubic metres)	新鮮供水(立方米)	16,990	11,558	9.04	5.13
Package material (tonnes)	包裝材料(噸)	53.79	74.37	0.008	0.033

During the Year, the total consumption of electricity and water of the Group has decreased significantly as compared with 2020, representing a decrease of 27% and 43%, respectively. The consumption of package materials has increased significantly due to the substantial increase in the number of packaging and transportation without human contact under the epidemic of COVID-19.

The Group's target for the financial year 2022 is to present a downward trend in the total consumption of electricity, water and package materials as compared to the financial year 2021.

八. 環境與社會各範疇的績效(續)

(4) 環境的可持續發展(續) 有效使用資源(續)

Reduction in use of office resources includes: (i) using double-sided printing of paper instead of single-sided printing, and prioritising a paperless office operation and application of electronic filing record, to minimise the use of papers; (ii) using water-saving devices as much as possible amongst office facilities, such as high efficient flushing toilets and automatic sensor switch faucets, and reminding employees to save water in daily operations; (iii) improving interior design to make full use of natural lighting, such as the use of transparent tiles, and maximising the use of energy-saving devices including LED lights, adoption of acoustic automatic control and solar power supply for public lighting. The current office buildings adopted LED lights during construction. Solar panels are used for street lighting in new factories, light and acoustic automatic controls are used in public area lighting, newly purchased equipment must meet the national energy consumption level and purchase high energy consumption equipment in the national phase-out catalog is prohibited.

減少辦公室的資源使用，包括：(i)將紙張單頁打印設置為雙面打印，並優先考慮無紙化辦公運作，優先使用電子存檔記錄，減少紙張使用；(ii)辦公設施盡量採用省水裝置，如：高效的沖水馬桶和自動感應開關的水龍頭，並在日常營運中提醒員工節約用水；(iii)改善室內設計，盡量利用自然採光，如：採用透光瓦等，並盡量採用節能裝置，如：選用LED燈、公共照明採用聲光自動控制、太陽能供電等 - 目前的辦公樓於新建時採用LED燈，新建工廠路燈照明採用太陽能電池板、公共區域照明採用光控和聲控、新採購設備需滿足國家的能耗等級，禁止採購國家淘汰目錄裡的高能耗設備。

於本年度，集團所消耗的主要資源概列如下，電力仍是主要耗用的資源。

於本年度，本集團電力和水的消耗量總量較二零二零年大幅下降，下降比例分別為27%和43%，包裝材料消耗由於新冠疫情下無人員接觸包裝運輸數量大增而增長較多。

本集團二零二二財年目標在電力、水和包裝材料消耗總量較二零二一財年呈下降趨勢。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

VIII. PERFORMANCE OF ENVIRONMENTAL AND SOCIAL ASPECTS *(Continued)*

(4) Environmental Sustainability *(Continued)*

Minimising of Significant Impacts to Environment and Natural Resources

Green Operating Processes

In addition to the aforesaid policies and measures for reduction of emissions and effective use of resources, all products from the Group have been strictly certified by Classification Societies for fulfilment of the environmental protection requirements for offshore products. Moreover, TSC Offshore has established and obtained the ISO14001 Environmental Management System certification, and has formulated effective procedures to ensure minimising of environmental risks in its operations.

Environmental Protection Training to Employees

To coordinate with the implementation of the environmental policies and measures, the Group has formulated an employee training programme for continued enhancement of their environmental awareness and competence in the implementation of relevant measures. In the Year, the number of employees that participated in the environmental protection trainings and trainings on identification, collection, transfer and storage of hazardous wastes reached 595 persons with a total of 689 training hours, which is approximately 20.45% higher than that achieved in previous year which was 572 training hours, which will reduce environmental risks imposed by the relevant operations in a more effective way.

Promotion of Environmental Protection along the Supply Chain

Suppliers are important partners with the Group. The Group intends to enhance the environmental awareness of its suppliers by taking advantage of its influence in the supply chain. Consequently, environmental performance has also become one of the evaluation criteria during the supplier selection and approval process, thereby enhancing suppliers' awareness of environmental protection and reducing carbon emissions to the environment.

During the reporting period, the Group did not identify any operating site with any legal violation or complaint relating to environment.

八. 環境與社會各範疇的績效(續)

(4) 環境的可持續發展(續)

減少對環境及天然資源造成重大影響

綠色營運流程

除了上述所實踐的政策與措施以減少排放及有效使用資源，集團營運中的產品全都通過船級社的嚴格認證，以滿足海上產品在環保方面的要求；此外，TSC Offshore 建立及獲得ISO14001環境管理體系認證，制定有效程序及確保在營運過程中減少對環境造成的風險。

員工環保培訓

為了配合集團環保政策與措施的實踐，本集團制定培訓計劃，不斷提升員工的環保意識及相關措施的執行力；本年度員工參與環保培訓及危險廢棄物辨識、收集、轉移、貯存培訓達595人次，合共689培訓小時，對比去年度的572個環保培訓小時，增加約20.45%，將更有效減少相關操作所構成的環境風險。

供應鏈環保宣傳

供貨商是本集團的重要合作夥伴，本集團希望藉着在供應鏈中的影響力，提升供貨商的環保意識，故此在選擇及審批供貨商的過程中，環保績效也是相關供貨商的評審準則之一，藉此提升供貨商對環保的意識，減少對環境的碳排放。

在報告期內，本集團並無發現任何營運地點涉及違反環境相關的法例或相關投訴。

VIII. PERFORMANCE OF ENVIRONMENTAL AND SOCIAL ASPECTS *(Continued)*

(5) Business Ethics

Product Management

The Group has established and implemented the ISO 9001 Quality Management System, and has formulated appropriate monitoring procedures to address corresponding potential product quality risks. All products are required to pass through relevant quality inspection, whereby their design, manufacturing process, installation and testing shall all conform to relevant standards, specifications and technical requirements, as well as satisfy relevant design parameters. In addition, all products are subject to rigorous certification and safety verification by Classification Societies.

The product quality assurance process of the Group is controlled through the following four aspects:

1) *Inspection of Materials*

All raw materials must undergo incoming inspection based on their drawings, standards, specifications and technical agreements. Only materials which pass the inspection are allowed for storage.

Raw materials that are going to be used in products requiring classification are subject to certification by Classification Societies, and are allowed for storage and use only after approval.

2) *Manufacturing Process*

Verification and testing are conducted during the manufacturing process. Semi-finished products can only proceed to the next stage after they have passed relevant verification and testing.

Manufacturing of products requiring classification must undergo certification by Classification Societies, and can only proceed to next stage after approval.

3) *Inspection of Finished Products*

Finished products are subject to final inspection and comprehensive FAT testing.

Products requiring classification must be certified by Classification Societies and are only allowed for delivery after the relevant approval report has been issued.

八. 環境與社會各範疇的績效(續)

(5) 商業道德

產品管理

集團建立及實施ISO 9001質量管理體系，對應各類潛在的產品質量風險，並制定合適監控程序；所有產品必須通過質量檢測，其設計、製造過程、安裝和試驗都必須符合相關的標準、規範和技術要求，並滿足相關的設計參數。另外，所有產品均須接受及通過船級社的嚴格認證及安全驗證。

本集團的產品質量檢定過程通過以下四個方面進行監控：

1) 材料檢查

所有原材料必須依據圖紙、標準、規範、技術協議等進行進貨檢驗，合格後方可入庫。

需要入級的產品的原材料需要經過船級社認證，合格後方可入庫使用。

2) 製作過程

執行過程核對和試驗，經過檢驗合格的半成品才能流入到下一工序。

需要入級產品的製作過程需經過船級社認證，合格後方可流入下一工序。

3) 成品檢查

完工的產品進行成品核對和整機FAT試驗。

需要入級的產品需經過船級社認證，並提供合格報告後才可交貨。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

VIII. PERFORMANCE OF ENVIRONMENTAL AND SOCIAL ASPECTS (Continued)

(5) Business Ethics (Continued)

Product Management (Continued)

4) Non-conforming Product Control

Whenever non-conformities are identified during the quality verification process, the non-conforming product is analysed and processed, and would be taken out of the manufacturing process.

Apart from monitoring of product quality, the Group is also concerned about the protection of intellectual property. The Group has signed confidentiality agreements with employees which prohibits employees from disclosing product information to unauthorised personnel. For electronic information relevant to customers and self-branded products, such as specifications and drawings, they are encrypted for protection from leakage. Where appropriate, the Group will apply for patents to seek protection from the relevant authorities. The relevant patents obtained by the Group in the Year are listed as follows:

Name of product/technology patent 產品／技術專利名稱	Registration authority 註冊機構
A new type of moisture separator device 一種新型汽水分離裝置	State Intellectual Property Office 國家智慧財產權局
A type of high-strength pipe connectors for drilling fluid tubing 一種鑽井液管道用高強度管接頭	State Intellectual Property Office 國家智慧財產權局
A type of tooling for quick installation of fasteners 一種快速安裝螺柱的工裝	State Intellectual Property Office 國家智慧財產權局
A type of modular valve seats cylinder of mud pumps 一種泥漿泵模組化閥座筒	State Intellectual Property Office 國家智慧財產權局
A type of quick-packaged mud screening program 一種快裝式泥漿篩檢程式	State Intellectual Property Office 國家智慧財產權局
A new type of compressing device for screening nets 一種新型篩網壓緊裝置	State Intellectual Property Office 國家智慧財產權局
A new type of valve box for mud pumps 一種新型泥漿泵閥箱	State Intellectual Property Office 國家智慧財產權局
A type of valve plug for high pressure hydraulic test of valve box 一種閥箱高壓水壓試驗用閥堵	State Intellectual Property Office 國家智慧財產權局

八. 環境與社會各範疇的績效(續)

(5) 商業道德(續)

產品管理(續)

4) 不合格品控制

在檢驗過程中發現不合格時，將不合格品進行分析和處理，禁止不合格的產品在製造過程中繼續流轉。

除了監控產品本身的質量，本集團亦關注知識產權的維護。本集團與員工簽訂保密協議，禁止員工對非授權的人士透露產品數據；對客戶及自家產品的規格與圖紙等相關的電子數據，都會進行加密處理以防外泄；對合適的產品，本集團更向相關機構申請專利保護，以下是本年度集團獲取的相關審批專利：

VIII. PERFORMANCE OF ENVIRONMENTAL AND SOCIAL ASPECTS (Continued)

(5) Business Ethics (Continued)

Product Management (Continued)

4) Non-conforming Product Control (Continued)

八. 環境與社會各範疇的績效(續)

(5) 商業道德(續)

產品管理(續)

4) 不合格品控制(續)

Name of product/technology patent 產品／技術專利名稱	Registration authority 註冊機構
A new type of valve plug for hydraulic test 一種新型水壓試驗用閥堵	State Intellectual Property Office 國家智慧財產權局
A type of starter for hydraulic oil pump pressure relief 一種液壓油泵泄壓啟動裝置	State Intellectual Property Office 國家智慧財產權局
A type of shaker allowing transformation between straight-line mode and elliptical mode 一種能實現直線和橢圓兩種模式自由轉化的振動篩	State Intellectual Property Office 國家智慧財產權局
Utility model patent "A type of maintenance mechanism of deep-water separator" 實用新型專利「一種深水隔水管維修機構」	State Intellectual Property Office of PRC 中國國家智慧財產權局
Utility model patent "A type of carrying mechanism together with tension compensation device for utilization"; 實用新型專利「一種搭載機構及實用該機構的張力補償裝置」	State Intellectual Property Office of PRC 中國國家智慧財產權局
Utility model patent "A type of assembly welding system for sea water tower" 實用新型專利「一種海水塔組焊系統」	State Intellectual Property Office of PRC 中國國家智慧財產權局
Utility model patent "A type of cross-transmission marine BOP crane to split deceleration power" 實用新型專利「一種分體減速動力交叉傳遞式海洋BOP吊機」	State Intellectual Property Office of PRC 中國國家智慧財產權局
Utility model patent "A type of tooling of crankshaft flip" 實用新型專利「一種曲軸翻轉工裝」	State Intellectual Property Office of PRC 中國國家智慧財產權局

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

VIII. PERFORMANCE OF ENVIRONMENTAL AND SOCIAL ASPECTS (Continued)

(5) Business Ethics (Continued)

Product Management (Continued)

4) Non-conforming Product Control (Continued)

八. 環境與社會各範疇的績效(續)

(5) 商業道德(續)

產品管理(續)

4) 不合格品控制(續)

Name of product/technology patent 產品／技術專利名稱	Registration authority 註冊機構
Utility model patent "A type of welding tooling for abrasion resistant plates" 實用新型專利「一種耐磨板焊接工裝」	State Intellectual Property Office of PRC 中國國家智慧財產權局
Utility model patent "A type of slew luffing pedestal burner boom" 實用新型專利「一種基座式回轉變幅燃燒臂」	State Intellectual Property Office of PRC 中國國家智慧財產權局
Utility model patent "A type of lifting device for the pumps of drilling rigs" 實用新型專利「一種鑽井平台的泵站用升降裝置」	State Intellectual Property Office of PRC 中國國家智慧財產權局
Utility model patent "A type of slip structure for drilling rigs" 實用新型專利「一種鑽井平台滑移結構」	State Intellectual Property Office of PRC 中國國家智慧財產權局
Utility model patent "A type of slip structure for the cantilevers of drilling rigs" 實用新型專利「一種鑽井平台懸臂梁滑移結構」	State Intellectual Property Office of PRC 中國國家智慧財產權局

VIII. PERFORMANCE OF ENVIRONMENTAL AND SOCIAL ASPECTS (Continued)

(5) Business Ethics (Continued)

Product Management (Continued)

4) Non-conforming Product Control (Continued)

Despite the implementation of robust quality management, the Group still attaches importance to customer feedback and has established a comprehensive complaint handling system. Sales and project management team will firstly communicate with customers to identify the details of nonconforming situation, then the quality management team will analyse the cause(s) with the relevant departments propose corrective actions. Eventually the sales and project management team will reply to customers with the relevant solution and the implementation thereof. During the reporting period, the Group did not identify any legal violation or complaint case relating to product responsibility. In the same period, no product was recalled for safety and health reasons. In addition, the Group was presented with an award from a relevant institution in the Year for recognition of the Group's product quality and technological achievements:

八. 環境與社會各範疇的績效(續)

(5) 商業道德(續)

產品管理(續)

4) 不合格品控制(續)

儘管實行完善的質量管理，本集團仍重視客戶的反饋並制定完善的投訴機制，由銷售及項目管理部負責與顧客初步交流，確認不符合的具體情況；然後質量管理部召集相關部門分析原因並提出糾正措施；銷售及項目管理部將解決方案及執行狀況反饋到客戶。於報告期內，本集團並無發現任何違反產品責任相關的法例或收到任何投訴個案。同期，也沒有產品因安全與健康理由而須要回收。此外，集團於本年度更獲得相關機構頒發獎項，確認集團的產品水平及技術的成就：

Name of Product Award 產品獎項名稱	Issuing Authority 頒發機構
Certificate of ISO 9001 Quality Management System ISO9001品質管制體系認證	China Federation of Logistics Certification Center 北京中物聯聯合認證中心
Certification of Intellectual Property Management System 智慧財產權管理體系認證	Zhong Gui (Bei Jing) Certification Limited 中規(北京)認證有限公司
Certificate of Quality Management System 品質管制體系認證證書	China Quality Certification Centre 中國品質認證中心
Certificate of Environmental Management System 環境管理體系認證證書	China Quality Certification Centre 中國品質認證中心
Certificate of Occupational Health and Safety Management System 職業健康安全管理体系認證證書	China Quality Certification Centre 中國品質認證中心

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

VIII. PERFORMANCE OF ENVIRONMENTAL AND SOCIAL ASPECTS *(Continued)*

(5) Business Ethics *(Continued)*

Anti-corruption Measures

Being a responsible enterprise, the Group has always maintained a “zero tolerance” attitude towards violations of business ethics such as bribery, extortion, fraud and money laundering.

The Group strives to provide a business platform with integrity and has continuously implemented the following measures, including:

1. Since 2012, the Group formulated the “Code of Business Conduct” to which all board members, managers, employees, agents and representatives must adhere; the Group announced and implemented the “Employee Handbook”, which contains the requirement for prohibition of bribery, and has been signed and acknowledged by all employees;
2. The Audit Committee, the Remuneration Committee, the Supervisory Committee and the Nomination Committee have been established under the board of directors of the Group to be responsible for corporate governance;
3. The Group has set up a whistle-blowing hotline and a whistle-blowing email through which suspected cases or incidents of business ethics violations can be inquired about or reported, and corrective measures will be formulated to address the root cause of the established cases;
4. Employees are required to disclose conflicts of interest in their employment contracts, and no relevant reporting case was received throughout the Year;
5. Open tendering policy has been formulated and “comparison of quotations amongst at least 3 suppliers” is required, whereby the supplier with competitive price will be selected;

八. 環境與社會各範疇的績效(續)

(5) 商業道德(續)

防貪措施

本集團作為一間負責任的企業，一直對賄賂、勒索、欺詐及洗黑錢等違反商業道德的行為，以「零容忍」的態度來處理。

本集團致力提供一個廉潔的營商平台，過往一直執行以下措施，包括：

1. 本集團自二零一二年起已制定《商業行為準則》，並要求本集團公司所有董事、管理人員、員工、代理和代表均須遵守該準則；集團頒佈及實施《員工手冊》，內含禁止賄賂的要求，並已獲得全體員工的簽署確認；
2. 本集團董事會轄下設立審核委員會、薪酬委員會、監察委員會、提名委員會來負責公司管治；
3. 本集團已設立舉報熱線和舉報電子郵件，就疑似個案或在出現相關違反商業道德的情況時，進行諮詢或舉報，並針對成立的案件制定糾正措施來根治原因；
4. 在僱傭合約中要求員工作出利益衝突申報，於本年度並沒有收到相關的申報個案；
5. 制定公開招標政策，採購時須「貨比三家」，選擇性價比最高的作為最終供貨商；

VIII. PERFORMANCE OF ENVIRONMENTAL AND SOCIAL ASPECTS *(Continued)*

(5) Business Ethics *(Continued)*

Anti-corruption Measures *(Continued)*

6. Since 2013, procurement personnel must comply with the "Revised Code of Self-Discipline Integrity Conduct for China (including China MRO) Procurement Personnel";
7. The Group appoints an independent auditing agency to proceed auditing and reporting of listed company on an annual basis, and the content involving the internal control system will be disclosed separately. Subsidiaries will appoint the local auditing agencies to proceed individual auditing and reporting as well as tax calculation in accordance with the principles of the operating regions for enhancement of the Group's internal control; and
8. The Group provided a training session on anti-corruption for directors and employees during the Year.

During the reporting period, the Group did not identify any reported case or legal violation relating to corruption.

Community Contribution and Engagement

As an outstanding corporate citizen in the community, the Group connects with the community and send best wishes and support to the disadvantaged and give back to the community. On the foundation of this social responsibility, the Group has reached out to the community over the years, through volunteer service or participation in regional activities, and communication with local community organisations in form of meetings and other means to understand their needs and satisfy regional demands to the best of the Group's capabilities.

八. 環境與社會各範疇的績效(續)

(5) 商業道德(續)

防貪措施(續)

6. 自二零一三年起，採購員須遵守本集團《中國區(含中國區MRO)採購人員廉潔自律行為規範修訂版》；
7. 每年委託獨立的審計機構做上市公司合併報表審計；並將內控制度部分作為單獨內容披露。下屬子公司根據屬地原則，委託當地審計機構進行個別報表的審計和所得稅匯算，以加強和完善集團的內部控制；及
8. 本年度對董事和員工開展一次反貪污培訓。

於報告期內，本集團並無發現任何貪污相關的舉報及任何違反貪污相關法例的案件。

社區貢獻與參與

作為社區內的一個優秀企業公民，集團希望連繫社區，為弱勢社群送上希望與支持，並能回饋社會。基於這份社會責任，集團多年來希望透過義工服務或參與地區活動等方式與社區接觸，藉着會面或其他方式與當地不同社區組織進行溝通，了解他們需要，並盡量滿足地區需求。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告



Independent auditor's report to the shareholders of
CMIC Ocean En-Tech Holding Co., Ltd.

(Incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of CMIC Ocean En-Tech Holding Co., Ltd. ("the Company") and its subsidiaries ("the Group") set out on pages 122 to 226, which comprise the consolidated statement of financial position as at 31 December 2021, the consolidated statement of profit or loss, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2021 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAAs") issued by the HKICPA. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the HKICPA's *Code of Ethics for Professional Accountants* ("the Code") together with any ethical requirements that are relevant to our audit of the consolidated financial statements in the Cayman Islands, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

致華商國際海洋能源科技控股有限公司股東

(於開曼群島註冊成立之有限公司)

意見

本核數師(以下簡稱「我們」)已審計列載於第122頁至226頁的華商國際海洋能源科技控股有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)的綜合財務報表，此財務報表包括於二零二一年十二月三十一日的綜合財務狀況表與截至該日止年度的綜合損益表、綜合損益及其他全面收益表、綜合權益變動表和綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

我們認為，該等綜合財務報表已根據香港會計師公會頒佈的《香港財務報告準則》真實而中肯地反映了貴集團於二零二一年十二月三十一日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》的披露要求妥為擬備。

意見的基礎

我們已根據香港會計師公會頒佈的《香港審計準則》進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部分中作進一步闡述。根據香港會計師公會頒佈的《專業會計師道德守則》(以下簡稱「守則」)以及與我們對開曼群島綜合財務報表的審計相關的道德要求，我們獨立於貴集團，並已履行這些道德要求以及守則中的其他專業道德責任。我們相信，我們所獲得的審計憑證能充足和適當地為我們的審計意見提供基礎。

關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。這些事項是在我們審計整體綜合財務報表及出具意見時進行處理的。我們不會對這些事項提供單獨的意見。

KEY AUDIT MATTERS (Continued)

關鍵審計事項(續)

Valuation of property, plant and equipment and intangible assets

物業、廠房及設備及無形資產的估值

Refer to notes 10 and 11 to the consolidated financial statements and the accounting policies in notes 1(h), 1(i), 1(j)(i) and 1(k)(ii).

請參閱綜合財務報表附註10及11以及附註1(h)、1(i)、1(j)(i)及1(k)(ii)的會計政策。

The Key Audit Matter

關鍵審計事項

The carrying values of property, plant and equipment and intangible assets as at 31 December 2021 were allocated to the cash-generating units ("CGUs") to which they belong.

物業、廠房及設備及無形資產於二零二一年十二月三十一日的賬面值被分配所屬的現金產生單位。

When it is determined that indicators of impairment of a CGU exist, management assesses the value in use of the CGU by preparing a discounted cash flow forecast and that value in use is compared with the carrying value of the CGU to determine if any impairment is required.

當釐定某一現金產生單位存在減值跡象，管理層將編製折現現金流預測，從而評估該現金產生單位的在用價值，然後與該現金產生單位的賬面值進行對比，以釐定是否需要作出任何減值。

Assessing the value in use of a CGU is complex and requires management to make a number of judgemental assumptions, particularly relating to the revenue growth rates (which drives future production levels) and future gross margins.

評估某一現金產生單位的在用價值過程複雜，且需要管理層尤其是對收入增長率（這帶動未來的生產水平）及未來毛利率作出多項判斷假設。

These estimates are inherently uncertain due to recent oil price volatility and the uncertain economic outlook.

由於近期油價波動及經濟前景不明朗，該等估計本質上存在不確定性。

How the matter was addressed in our audit

我們的審計如何處理該事項

Our audit procedures to assess the valuation of property, plant and equipment and intangible assets included the following:

我們評估物業、廠房及設備及無形資產的估值的審計程序包括下列各項：

- obtaining an understanding of the Group's policies and procedures to identify impairment indicators of property, plant and equipment and intangible assets;
- 瞭解 貴集團識別物業、廠房及設備及無形資產減值跡象的政策及程序；
- evaluating management's identification of impairment indicators, if any, with reference to the internal sources and external sources of information, and the identification of CGUs and the allocation of assets to each CGU in the preparation of its discounted cash flow forecasts;
- 參照內部及外部信息來源評估管理層對減值跡象（如有）的識別以及編製折現現金流預測時對現金產生單位的識別及把資產分配至各現金產生單位；
- engaging our internal valuation specialists to assist us in evaluating the methodology adopted by management, and whether this was prepared in a manner consistent with the requirements of the prevailing accounting standards;
- 委聘內部估值專家，以協助我們評估管理層採用的方法，並評價有關預測是否已按照與現行會計準則一致的方式編製；
- assessing and challenging management's impairment assessment model. This included evaluating the discounted cash flow forecasts for each CGU where an indicator of impairment was identified and comparing the resultant value in use with the carrying values of the relevant assets and considering whether impairment or a reversal of past impairment was required;
- 評估及質疑管理層的減值評估模型。這包括評價識別到減值跡象的各現金產生單位的折現現金流預測，並將所得在用價值與相關資產進行比較及考慮是否需要計提減值或撥回過往減值；

KEY AUDIT MATTERS (Continued)

關鍵審計事項(續)

Valuation of property, plant and equipment and intangible assets (Continued)

物業、廠房及設備及無形資產的估值(續)

Refer to notes 10 and 11 to the consolidated financial statements and the accounting policies in notes 1(h), 1(i), 1(j)(i) and 1(k)(ii).

請參閱綜合財務報表附註10及11以及附註1(h)、1(i)、1(j)(i)及1(k)(ii)的會計政策。

The Key Audit Matter

關鍵審計事項

We identified the valuation of property, plant and equipment and intangible assets as a key audit matter because determining the level of impairment, if any, involves a significant degree of management judgement in forecasting future cash flows and estimating the value in use of these assets both of which are inherently uncertain and may be subject to management bias.

我們把物業、廠房及設備及無形資產列為關鍵審計事項，因為釐定減值水平(如有)涉及管理層對預測未來現金流量及估計該等資產的在用價值作出重大判斷，而前述兩者本質上均存在不確定性，且或會受到管理層的偏見而有所影響。

How the matter was addressed in our audit

我們的審計如何處理該事項

- comparing the most significant inputs used in the discounted cash flow forecasts, including the revenue growth rates and future gross margins, with the historical performance of each CGU and management's budgets and forecasts;
- 將折現現金流預測中最重大輸入數據(包括收入增長率及未來毛利率)與各現金產生單位的過往表現及管理層預算和預測進行比較；
- evaluating the discount rates used in the cash flow forecasts by benchmarking against other similar companies in the same industry;
- 與同業其他類似公司進行對比，藉此評價現金流預測採用的折現率；
- performing sensitivity analyses of the discount rates, revenue growth rates, future gross margins and considering the resulting impact on the impairment assessment for the year and whether there were any indicators of management bias; and
- 對折現率、收入增長率及未來毛利率進行敏感度分析，並考慮對年內減值評估的影響及是否存在管理層偏見的任何跡象；及
- considering the disclosures in the consolidated financial statements in respect of impairment testing of property, plant and equipment and intangible assets with reference to the requirements of the prevailing accounting standards.
- 根據現行會計準則的規定，考慮綜合財務報表內有關物業、廠房及設備及無形資產的減值測試的披露。

KEY AUDIT MATTERS (Continued)

關鍵審計事項(續)

Loss allowance for trade and lease receivables

貿易及租賃應收款項的虧損撥備

Refer to notes 17, 18 and 29 to the consolidated financial statements and the accounting policies in notes 1(j)(ii), 1(k)(i) and 1(n).

請參閱綜合財務報表附註17、18及29以及附註1(j)(ii)、1(k)(i)及1(n)的會計政策。

The Key Audit Matter

關鍵審計事項

The carrying value of the Group's trade and lease receivables as at 31 December 2021 totalled US\$76.2 million after deduction of loss allowance of US\$62.2 million.

經扣除虧損撥備62.2百萬美元後，貴集團於二零二一年十二月三十一日的貿易及租賃應收款項賬面值合共76.2百萬美元。

The Group's loss allowance is always measured at an amount equal to the lifetime expected credit loss, which is estimated by taking into account the historical credit loss experience, ageing of the receivables and shared credit risk characteristics based on geographical location or business segment, adjusted for factors that are specific to the debtors and an assessment of both the current and forecasted economic conditions at the reporting date. Such assessment involves a significant degree of judgement.

貴集團的虧損撥備一直按相當於全期預期信貸虧損的金額計量，經考慮過往信貸虧損經驗、應收款項賬齡、基於地理位置或業務分部的共有之信貸風險特徵而估計，就報告日期債務人的特定因素以及對目前及預測經濟狀況的評估進行調整。有關評估涉及重大程度判斷。

How the matter was addressed in our audit

我們的審計如何處理該事項

Our audit procedures to assess the loss allowance for trade and lease receivables included the following:

我們評估貿易及租賃應收款項的虧損撥備的審計程序包括下列各項：

- obtaining an understanding of and assessing the design, implementation and operating effectiveness of key internal controls relating to credit control, debt collection, and estimation of the expected credit loss allowance;
- 了解及評估有關信貸控制、收債及估計預期信貸虧損撥備的主要內部控制的設計、實施及執行成效；
- obtaining an understanding on the key data and assumptions of the expected credit loss model adopted by management, including the basis of the segmentation of the trade and lease receivables based on shared credit risk characteristics, the historical default data, and the assumptions involved in management's estimated loss rates;
- 瞭解管理層採納的預期信貸虧損模型中的關鍵數據及假設，包括管理層基於共有之信貸風險特徵對貿易及租賃應收款項進行分組的基準、過往違約率以及管理層估計虧損率涉及的假設；

KEY AUDIT MATTERS (Continued)

關鍵審計事項(續)

Loss allowance for trade and lease receivables (Continued)

貿易及租賃應收款項的虧損撥備(續)

Refer to notes 17, 18 and 29 to the consolidated financial statements and the accounting policies in notes 1(j)(ii), 1(k)(i) and 1(n).

請參閱綜合財務報表附註17、18及29以及附註1(j)(ii)、1(k)(i)及1(n)的會計政策。

The Key Audit Matter

關鍵審計事項

We identified the loss allowance for trade and lease receivables as a key audit matter because the assessment of loss allowances is inherently subjective and requires significant management judgement, which increases the risk of error or potential management bias.

由於評估虧損撥備在本質上具有主觀性，並需要管理層作出重大判斷，因而增加出錯或潛在管理層偏見的風險，故我們將貿易及租賃應收款項虧損撥備識別為關鍵審計事項。

How the matter was addressed in our audit

我們的審計如何處理該事項

- assessing the classification of individual balances in the trade receivables ageing report and lease receivables ageing report by comparing the details in such reports with underlying invoices, on a sample basis; and
- 將貿易應收款項賬齡報告及租賃應收款項賬齡報告內的詳情與相關發單進行抽樣比對，從而評估該等報告內個別結餘的分類；及
- assessing the reasonableness of management's loss allowance estimates by examining the information used by management to form such judgements, including testing the accuracy of the historical default data and evaluating whether the historical loss rates are appropriately adjusted based on current economic conditions and forward-looking information.
- 藉檢測管理層用以構成相關判斷的資料(包括測試過往違約數據的準確性、評估過往虧損率是否按目前經濟狀況及前瞻性資料作出適當調整)來評估管理層虧損撥備估算的合理性。
- For certain receivables, our procedures also included evaluating the probability of default by comparing with available market information.
- 就若干應收款項而言，我們的程序亦包括通過與可得市場資料比較評估拖欠還款的可能性。

KEY AUDIT MATTERS (Continued)

關鍵審計事項(續)

Assessing the net realisable value of inventories

評估存貨的可變現淨值

Refer to note 16 to the consolidated financial statements and the accounting policies in note 1(l).

請參閱綜合財務報表附註16及附註1(l)的會計政策。

The Key Audit Matter

關鍵審計事項

The carrying value for inventories as at 31 December 2021 was US\$33.4 million, which represented 14.5% of the Group's total assets. The inventories held at the year-end covered a wide range of capital equipment and spare parts and the demand for these in the future may be adversely affected by many factors including market demand, competitor activities, pricing and the introduction of substituting products and technologies.

於二零二一年十二月三十一日，存貨的賬面值為33.4百萬美元，相當於貴集團總資產的14.5%。年末持有的存貨涵蓋各種資本設備及備件，未來該等設備及備件的需求可能受到諸多因素的不利影響，包括市場需求、競爭對手的活動、替代品及技術的定價及推出。

The Group's inventories are carried at the lower of cost and net realisable value. Determination of net realisable value involves key judgements and estimates made by management, in particular with regards to the estimation of selling prices and provisions for slow-moving and obsolete inventories.

貴集團的存貨按成本與可變現淨值中的較低者入賬。釐定可變現淨值涉及管理層作出的關鍵判斷及估計，特別是對滯銷及陳舊存貨售價及撥備作出的估計。

How the matter was addressed in our audit

我們的審計如何處理該事項

Our audit procedures to assess the net realisable value of inventories included the following:

我們評估存貨的可變現淨值的審計程序包括下列各項：

- assessing whether the inventory provision at the end of the reporting period was determined on a basis consistent with the Group's inventory provisioning policy including evaluating the accuracy of management's prior year estimation;
- 評估於報告期末的存貨撥備是否按與貴集團存貨撥備政策一致的基準釐定(包括評估管理層過往年度的估計是否準確)；
- assessing, on a sample basis, the classification of individual items in the inventory ageing report by comparing the details in the inventory ageing report with underlying documentation, including purchase invoices and goods receipt notes;
- 抽樣評估存貨賬齡報告中個別項目的分類，方式為將存貨賬齡報告中的詳細資料與相關文件(包括採購發票及貨品收據)比較；

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS (Continued)

關鍵審計事項(續)

Assessing the net realisable value of inventories (Continued)

評估存貨的可變現淨值(續)

Refer to note 16 to the consolidated financial statements and the accounting policies in note 1(l).

請參閱綜合財務報表附註16及附註1(l)的會計政策。

The Key Audit Matter

關鍵審計事項

We identified the assessment of the net realisable value of inventories as a key audit matter because of the significance of inventories to the consolidated financial statements and because of the significant judgements made by management in assessing net realisable value, which increases the risk of error or potential management bias.

我們將存貨可變現淨值的估值確定為關鍵審計事項，原因為存貨對綜合財務報表的重要性及管理層評估可變現淨值作出的重大判斷，從而增加錯誤或潛在管理層偏向的風險。

How the matter was addressed in our audit

我們的審計如何處理該事項

- assessing the appropriateness of the selling prices estimated by management, on a sample basis, by comparing the estimated selling prices to the recent transaction prices and our knowledge of the Group's business; and
- 抽樣評估管理層估計的售價是否恰當，方式為將估計售價與當前交易價進行比較以及瞭解貴集團業務；及
- evaluating the reasonableness of the Group's inventory provision balance by comparing, on a sample basis, the carrying value of inventories with net realisable value.
- 評估貴集團存貨撥備結餘是否合理，方式為抽樣比較存貨賬面值與可變現淨值。

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The directors are responsible for the other information. The other information comprises all the information included in the annual report, other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The directors are assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

綜合財務報表及其核數師報告以外的信息

董事需對其他信息負責。其他信息包括刊載於年報內的全部信息，但不包括綜合財務報表及我們的核數師報告。

我們對綜合財務報表的意見並不涵蓋其他信息，我們亦不對該等其他信息發表任何形式的鑒證結論。

結合我們對綜合財務報表的審核，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與綜合財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

基於我們已執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

董事就綜合財務報表須承擔的責任

董事須負責根據香港會計師公會頒佈的《香港財務報告準則》及香港《公司條例》的披露要求擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

在擬備綜合財務報表時，董事負責評估貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非董事有意將貴集團清盤或停止經營，或別無其他實際的替代方案。

審核委員會協助董事履行監督貴集團的財務報告過程的責任。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

核數師就審計綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅向整體股東報告。除此以外，我們的報告不可用作其他用途。我們概不就本報告的內容，對任何其他人士負責或承擔法律責任。

合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響綜合財務報表使用者依賴財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

在根據《香港審計準則》進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Ho Wai Ming.

KPMG

Certified Public Accountants

8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

25 March 2022

核數師就審計綜合財務報表承擔的責任 (續)

- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。
- 就貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責貴集團審計的方向、監督和執行。我們對審計意見承擔全部責任。

除其他事項外，我們與審核委員會溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

我們還向審核委員會提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，為消除威脅所採取的行動或採取的防範措施。

從與審核委員會溝通的事項中，我們確定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

出具本獨立核數師報告的審計項目合夥人是何偉明。

畢馬威會計師事務所
執業會計師

香港中環
遮打道10號
太子大廈8樓

二零二二年三月二十五日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

綜合損益表

For the year ended 31 December 2021 (Expressed in United States dollars) 截至二零二一年十二月三十一日止年度(以美元呈列)

			2021 二零二一年	2020 二零二零年 (Restated) (經重列) (Note 3(a)(i)(1)) (附註3(a)(i)(1))
		Note 附註	US\$'000 千美元	US\$'000 千美元
Revenue	收入	3	57,027	65,882
Cost of sales	銷售成本		(36,363)	(54,265)
Gross profit	毛利		20,664	11,617
Other revenue and net income	其他收益及淨收入	4	4,723	5,920
Selling and distribution expenses	銷售及分銷開支		(3,914)	(4,818)
General and administrative expenses	一般及行政開支		(19,775)	(21,705)
Other operating expenses	其他經營開支	5(e)	(1,919)	(3,767)
Reversal of impairment losses/(impairment losses) on trade debtors and bills receivables, lease receivables and contract assets	貿易應收賬款及應收票據、租賃應收款及合約資產減值虧損撥回/(減值虧損)	5(c)	3,418	(4,272)
Gain on settlement of sale and purchase contracts	結算買賣合約的收益	5(d)	-	26,332
Gain on disposal of non-current assets classified as held for sale	出售分類為持作出售的非流動資產的收益	5(f)	11,407	-
Profit from operations	經營溢利		14,604	9,307
Finance costs	財務成本	5(a)	(489)	(660)
Share of profits less losses of associates	分佔聯營公司溢利減虧損		255	18
Share of profit of joint venture	分佔合營公司溢利		1,370	1,216
Profit before taxation	除稅前溢利	5	15,740	9,881
Income tax (expenses)/credit	所得稅(開支)/抵免	6(a)	(6,396)	949
Profit for the year	年內溢利		9,344	10,830
Attributable to:	以下各方應佔：			
Equity shareholders of the Company	本公司股權股東		9,220	10,916
Non-controlling interests	非控股權益		124	(86)
Profit for the year	年內溢利		9,344	10,830
Earnings per share	每股盈利	9		
Basic and diluted	基本及攤薄		US0.29 cent 0.29美仙	US0.36 cent 0.36美仙

The notes on pages 129 to 226 form part of these financial statements.

第129頁至226頁的附註構成該等財務報表的一部分。

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收益表

For the year ended 31 December 2021 (Expressed in United States dollars) 截至二零二一年十二月三十一日止年度(以美元呈列)

		2021 二零二一年 US\$'000 千美元	2020 二零二零年 US\$'000 千美元
Profit for the year	年內溢利	9,344	10,830
Other comprehensive income for the year:	年內其他全面收益：		
<i>Items that will not be reclassified to profit or loss:</i>	<i>不會重新分類至損益之項目：</i>		
- Equity investments at fair value through other comprehensive income ("FVOCI") - changes in fair value during the year (non-recycling) (with nil tax effect)	- 按公平價值計入其他全面收益(「按公平價值計入其他全面收益」)的股權投資 - 年內公平價值變動(非劃轉)(零稅務影響)	112	(93)
- Share of other comprehensive income of joint venture (with nil tax effect)	- 應佔合營公司其他全面收入(零稅務影響)	1,026	(3,003)
<i>Item that may be reclassified subsequently to profit or loss:</i>	<i>隨後或會重新分類至損益之項目：</i>		
- Exchange differences on translation of financial statements of subsidiaries and associates (with nil tax effect)*	- 換算附屬公司及聯營公司財務報表所產生之匯兌差額(零稅務影響)*	2,559	2,482
Other comprehensive income for the year	年內其他全面收益	3,697	(614)
Total comprehensive income for the year	年內全面收益總額	13,041	10,216
Attributable to:	以下各方應佔：		
Equity shareholders of the Company	本公司股權股東	12,850	10,305
Non-controlling interests	非控股權益	191	(89)
Total comprehensive income for the year	年內全面收益總額	13,041	10,216

* Included exchange gain on translation of financial statements of associates of \$20,000 (2020: \$21,000).

* 包括換算聯營公司財務報表所產生之匯兌收益20,000元(二零二零年：21,000元)。

The notes on pages 129 to 226 form part of these financial statements.

第129頁至226頁的附註構成該等財務報表的一部分。

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

At 31 December 2021 (Expressed in United States dollars) 於二零二一年十二月三十一日(以美元呈列)

		Note 附註	2021 二零二一年 US\$'000 千美元	2020 二零二零年 US\$'000 千美元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	10	24,061	18,971
Investment properties	投資物業	10	1,928	3,260
Intangible assets	無形資產	11	195	228
Interest in associates	於聯營公司之權益	13	1,165	346
Interest in joint venture	於合營公司之權益	14	43,123	40,727
Other financial assets	其他金融資產	15	345	233
Prepayments	預付款	17	261	–
Lease receivables	租賃應收款	18	4,638	6,329
Deferred tax assets	遞延稅項資產	25(b)	964	2,540
			76,680	72,634
Current assets	流動資產			
Inventories	存貨	16	33,391	23,008
Trade and other receivables	貿易應收及其他應收款項	17	64,686	57,617
Contract assets	合約資產	23(a)	–	324
Amount due from a related company	應收一間關聯公司款項	19	–	101
Lease receivables	租賃應收款	18	19,632	25,591
Tax recoverable	可收回稅項	25(a)	146	435
Pledged bank deposits and time deposits	已抵押銀行存款及定期存款		1,851	4,187
Cash and cash equivalents	現金及現金等值物	20(a)	33,511	22,424
			153,217	133,687
Non-current assets classified as held for sale	分類為持作出售之非流動資產	21	–	23,609
			153,217	157,296
Current liabilities	流動負債			
Trade and other payables	貿易應付及其他應付款項	22	42,331	57,989
Contract liabilities	合約負債	23(b)	15,003	8,667
Lease liabilities	租賃負債	24	18,536	23,390
Tax payable	應付稅項	25(a)	3,289	3,376
			79,159	93,422
Net current assets	流動資產淨值		74,058	63,874
Total assets less current liabilities	總資產減流動負債		150,738	136,508

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

At 31 December 2021 (Expressed in United States dollars) 於二零二一年十二月三十一日(以美元呈列)

		Note 附註	2021 二零二一年 US\$'000 千美元	2020 二零二零年 US\$'000 千美元
Non-current liabilities	非流動負債			
Lease liabilities	租賃負債	24	2,160	1,224
			2,160	1,224
NET ASSETS	資產淨值		148,578	135,284
CAPITAL AND RESERVES	資本及儲備			
Share capital	股本	28(b)	41,418	41,418
Reserves	儲備		107,291	94,188
Total equity attributable to equity shareholders of the Company	本公司股權股東應佔權益總額		148,709	135,606
Non-controlling interests	非控股權益		(131)	(322)
TOTAL EQUITY	權益總額		148,578	135,284

Approved and authorised for issue by the board of directors on 25 March 2022.

經董事會於二零二二年三月二十五日批准及授權刊發。

Lou Dongyang

婁東陽

Director

董事

Jiang Bing Hua

蔣秉華

Director

董事

The notes on pages 129 to 226 form part of these financial statements.

第129頁至226頁的附註構成該等財務報表的一部分。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 December 2021 (Expressed in United States dollars) 截至二零二一年十二月三十一日止年度(以美元呈列)

Attributable to equity shareholders of the Company
本公司股權股東應佔

		Share capital	Share premium	Merger reserve	Exchange reserve	Shares held for share award scheme reserve	Capital reserve	Revaluation reserve	Reserve funds	Fair value reserve (non-recycling)	Accumulated losses	Total	Non-controlling interests	Total equity
		股本	股份溢價	合併儲備	匯兌儲備	持作股份獎勵計劃之股份儲備	資本儲備	重估儲備	儲備	公平價值儲備 (非劃轉)	累計虧損	總計	非控股權益	總權益
		US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
		千美元	千美元	千美元	千美元	千美元	千美元	千美元	千美元	千美元	千美元	千美元	千美元	千美元
Balance at 1 January 2020	於二零二零年一月一日之結餘	39,191	250,735	2,161	(15,537)	(2,801)	5,482	627	8,908	(8,550)	(159,160)	121,056	(642)	120,414
Changes in equity for 2020	於二零二零年股權變動													
Profit for the year	年內溢利	-	-	-	-	-	-	-	-	-	10,916	10,916	(86)	10,830
Other comprehensive income	其他全面收益	-	-	-	2,485	-	-	-	-	(3,096)	-	(611)	(3)	(614)
Total comprehensive income	全面收益總額	-	-	-	2,485	-	-	-	-	(3,096)	10,916	10,305	(89)	10,216
Issue of new shares (note 28(b))	發行新股(附註28(b))	2,227	3,897	-	-	-	-	-	-	-	-	6,124	-	6,124
Purchase of shares for share award scheme (note 27)	就股份獎勵計劃購買股份(附註27)	-	-	-	-	(1,470)	-	-	-	-	-	(1,470)	-	(1,470)
Transferred to reserve funds	轉撥至儲備公益金	-	-	-	-	-	-	-	385	-	(385)	-	-	-
Acquisition of non-controlling interests in a subsidiary	收購於一間附屬公司的非控股權益	-	-	-	-	-	-	-	-	-	(409)	(409)	409	-
Balance at 31 December 2020 and 1 January 2021	於二零二零年十二月三十一日及二零二一年一月一日之結餘	41,418	254,632	2,161	(13,052)	(4,271)	5,482	627	9,293	(11,646)	(149,038)	135,606	(322)	135,284
Changes in equity for 2021	於二零二一年股權變動													
Profit for the year	年內溢利	-	-	-	-	-	-	-	-	-	9,220	9,220	124	9,344
Other comprehensive income	其他全面收益	-	-	-	2,492	-	-	-	-	1,138	-	3,630	67	3,697
Total comprehensive income	全面收益總額	-	-	-	2,492	-	-	-	-	1,138	9,220	12,850	191	13,041
Purchase of shares for share award scheme (note 27)	就股份獎勵計劃購買股份(附註27)	-	-	-	-	(147)	-	-	-	-	-	(147)	-	(147)
Transferred to reserve funds	轉撥至儲備公益金	-	-	-	-	-	-	-	944	-	(944)	-	-	-
Shares granted under share award scheme (note 27)	根據股份獎勵計劃授出的股份(附註27)	-	-	-	-	787	-	-	-	-	(387)	400	-	400
Balance at 31 December 2021	於二零二一年十二月三十一日之結餘	41,418	254,632	2,161	(10,560)	(3,631)	5,482	627	10,237	(10,508)	(141,149)	148,709	(131)	148,578

The notes on pages 129 to 226 form part of these financial statements.

第129頁至226頁的附註構成該等財務報表的一部分。

CONSOLIDATED CASH FLOW STATEMENT

綜合現金流量表

For the year ended 31 December 2021 (Expressed in United States dollars) 截至二零二一年十二月三十一日止年度(以美元呈列)

			2021 二零二一年 US\$'000 千美元	2020 二零二零年 US\$'000 千美元
Operating activities	經營業務			
Profit before taxation	除稅前溢利		15,740	9,881
Adjustments for:	就以下各項作出調整：			
Depreciation	折舊	5(c)	4,091	4,540
(Reversal of impairment losses)/ impairment losses on trade debtors and bills receivables, leases receivables and contract assets	貿易應收賬款及應收票據、 租賃應收款及合約資產 (減值虧損撥回)/減值虧損	5(c)	(3,418)	4,272
Impairment losses on property, plant and equipment	物業、廠房及設備 減值虧損	5(c)	-	1,723
Share of profits less losses of associates	分佔聯營公司溢利減虧損		(255)	(18)
Share of profit of joint venture	分佔合營公司溢利		(1,370)	(1,216)
Write-down of inventories	存貨撇減	5(c)	2,127	2,244
Amortisation of intangible assets	無形資產攤銷	5(c)	50	102
Finance costs	財務成本	5(a)	1,515	1,725
Interest income	利息收入	3(a)&4	(2,850)	(2,698)
Gain on disposal of non-current assets classified as held for sale	出售分類為持作出售的 非流動資產的收益	5(f)	(11,407)	-
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之 收益	5(c)	(559)	(192)
Gain on sub-leasing of drilling rigs classified as finance leases	分類為融資租賃的分租 鑽井平台收益	3(a)	(963)	(1,061)
Gain on settlement of sale and purchase contracts	結算買賣合約的收益	5(d)	-	(26,332)
Government grant – forgiveness of loan	政府補助 – 貸款寬免	20(b)	-	(664)
Foreign exchange loss/(gain)	外匯虧損/(收益)		1,009	(1,725)
Equity-settled share-based payment	以權益結算以股份為基礎之 付款	5(b)	400	-
Operating profit/(loss) before changes in working capital	營運資金變動前經營溢利/ (虧損)		4,110	(9,419)
(Increase)/decrease in inventories	存貨(增加)/減少		(11,968)	5,632
Increase in trade and other receivables	貿易應收及其他應收款項增加		(3,020)	(9,466)
Decrease in contract assets	合約資產減少		453	55
Decrease in lease receivables	租賃應收款減少		30,018	10,356
Decrease in amount due from a related company	應收一間關聯公司款項減少		101	-
(Decrease)/increase in trade and other payables	貿易應付及其他應付款項 (減少)/增加		(10,578)	14,840
Increase/(decrease) in contract liabilities	合約負債增加/(減少)		6,143	(7,924)
Cash generated from operations	經營業務產生現金		15,259	4,074
Income tax paid	已付所得稅		(881)	(214)
Interest received from sub-leasing of drilling rigs classified as finance leases	自分類為融資租賃的分租鑽井 平台收取的利息		1,097	597
Interest paid for sub-leasing of drilling rigs classified as finance leases	就分類為融資租賃的分租鑽井 平台支付的利息		(1,417)	(576)
Net cash generated from operating activities	經營業務產生現金淨額		14,058	3,881

CONSOLIDATED CASH FLOW STATEMENT

綜合現金流量表

For the year ended 31 December 2021 (Expressed in United States dollars) 截至二零二一年十二月三十一日止年度(以美元呈列)

	Note	2021 二零二一年 US\$'000 千美元	2020 二零二零年 US\$'000 千美元
Investing activities			
Payment for purchase of property, plant and equipment		(6,717)	(1,173)
Interest received		1,693	1,596
Decrease/(increase) in pledged bank deposits and time deposits		2,359	(3,097)
Proceeds from disposal of non-current assets classified as held for sale	5(f)	32,352	—
Income tax and other related tax paid for disposal of non-current assets classified as held for sale	5(f)&6(a)	(6,887)	—
Redemption of notes included in trade and other receivables		—	6,413
Proceeds from disposal of property, plant and equipment		1,757	—
Capital contribution to joint venture		—	(6,000)
Payment for acquisition of an associate		(544)	—
Receipt in advance from proposed disposal of non-current assets classified as held for sale	22	—	5,623
Net cash generated from investing activities		24,013	3,362
Financing activities			
Interest paid	20(b)	—	(171)
Proceeds from new bank loans	20(b)	—	664
Repayment of bank loans	20(b)	—	(9,280)
Capital element of lease rentals paid	20(b)	(27,016)	(9,822)
Interest element of lease rentals paid	20(b)	(150)	(125)
Payment for purchase of shares under share award scheme	27(a)	(147)	(1,470)
Net cash used in financing activities		(27,313)	(20,204)
Net increase/(decrease) in cash and cash equivalents		10,758	(12,961)
Cash and cash equivalents at 1 January		22,424	35,021
Effect of foreign exchange rate changes		329	364
Cash and cash equivalents at 31 December	20(a)	33,511	22,424

The notes on pages 129 to 226 form part of these financial statements.

第129頁至226頁的附註構成該等財務報表的一部分。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in United States dollars unless otherwise indicated) (除非另有說明，以美元表示)

1 SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“the Listing Rules”). Significant accounting policies adopted by the Group are disclosed below.

The HKICPA has issued certain amendments to HKFRSs that are first effective or available for early adoption for the current accounting period of the Group. Note 1(c) provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these financial statements.

(b) Basis of preparation of the financial statements

The consolidated financial statements for the year ended 31 December 2021 comprise the Group and the Group’s interest in associates and joint venture.

The functional currency of the Company is Hong Kong dollars (“HK\$”). Subsidiaries of the Company have their functional currencies other than HK\$, mainly Renminbi (“RMB”), United States dollars and Pound Sterling (“GBP”). In view of operations of the Group in various foreign countries, the directors of the Company consider United States dollars, being an internationally well-recognised currency, can provide more meaningful information to the Company’s investors and meet the needs of the Group’s global customers. Therefore, the directors choose United States dollars as the presentation currency of the financial statements.

The measurement basis used in the preparation of the financial statements is the historical cost basis, except for investments in equity securities which are stated at their fair values as explained in the accounting policies set out in note 1(f).

1 主要會計政策

(a) 遵例聲明

該等財務報表乃遵照所有適用之香港財務報告準則(「香港財務報告準則」)(包括香港會計師公會(「香港會計師公會」)頒佈之所有適用之個別香港財務報告準則、香港會計準則(「香港會計準則」)及詮釋之統稱)、香港公認會計原則及香港公司條例的適用披露規定而編製。該等財務報表亦遵守香港聯合交易所有限公司證券上市規則(「上市規則」)之適用披露條文。本集團所採納之主要會計政策於下文披露。

香港會計師公會已頒佈多項香港財務報告準則之修訂，於本集團本個會計期間首次生效或可予提早採納。附註1(c)提供有關因初始應用該等修訂而產生之任何會計政策變動之資料，惟以與本集團於本個或過往會計期間在該等財務報表所反映者有關為限。

(b) 財務報表編製基準

截至二零二一年十二月三十一日止年度之綜合財務報表包括本集團及本集團於聯營公司及合營公司之權益。

本公司之功能貨幣為港元(「港元」)。本公司之附屬公司採用港元以外的功能貨幣，主要為人民幣(「人民幣」)、美元及英鎊(「英鎊」)。鑒於本集團於多個不同國家的業務，本公司董事認為美元作為國際上公認之貨幣可為本公司投資者提供更有意義之資料，並能夠滿足本集團全球客戶之需求。因此，董事選擇美元作為財務報表之呈列貨幣。

誠如附註1(f)所載之會計政策所解釋，編製財務報表所採用之計量基準為歷史成本法，惟股本證券投資以公平價值列賬除外。

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(Expressed in United States dollars unless otherwise indicated) (除非另有說明，以美元表示)

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Basis of preparation of the financial statements

(Continued)

Non-current assets held for sale are stated at the lower of carrying amount and fair value less costs to sell (see note 1(x)).

The preparation of financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of HKFRSs that have significant effect on the financial statements and major sources of estimation uncertainty are discussed in note 2.

(c) Changes in accounting policies

The HKICPA has issued the following amendments to HKFRSs that are first effective for the current accounting period of the Group:

- Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16, *Interest rate benchmark reform – phase 2*
- Amendment to HKFRS 16, *Covid-19-related rent concessions (including those beyond 30 June 2021)*

None of these developments have had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

1 主要會計政策(續)

(b) 財務報表編製基準(續)

持作出售之非流動資產按賬面值與公平價值減出售成本兩者中較低者列賬(見附註1(x))。

編製符合香港財務報告準則的財務報表要求管理層作出可影響政策應用及資產、負債、收入及開支呈報金額的判斷、估計及假設。該等估計及相關假設乃基於以往經驗及相信在有關情況下屬合理的多項其他因素，而有關結果乃作為就該等不可基於其他資料來源而顯而易見地得出的資產及負債賬面值的判斷基準。實際的結果可能會與此等估計不同。

該等估計及相關假設會持續檢討。若會計假設的修訂僅影響作出修訂的期間，將會於該期間確認；若修訂影響當期及未來期間，則會於當期及未來期間確認。

附註2將討論管理層於應用香港財務報告準則所作出對財務報表有重大影響的判斷，以及估計不確定性的主要來源。

(c) 會計政策的變動

香港會計師公會已頒佈下列香港財務報告準則的修訂本，並於本集團本會計期間首次生效：

- 香港財務報告準則第9號、香港會計準則第39號、香港財務報告準則第7號、香港財務報告準則第4號及香港財務報告準則第16號的修訂本，*利率基準改革 – 第二階段*
- 香港財務報告準則第16號的修訂本，*新冠疫情租金寬減(包括二零二一年六月三十日之後的該等寬減)*

該等變動對本集團如何編製或呈列當前或過往期間的業績及財務狀況並無造成重大影響。本集團並未應用任何於本會計期間尚未生效的新訂準則或詮釋。

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1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Subsidiaries and non-controlling interests

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) are considered.

An investment in a subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances, transactions and cash flows and any unrealised profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

Non-controlling interests represent the equity in a subsidiary not attributable directly or indirectly to the Company, and in respect of which the Group has not agreed any additional terms with the holders of those interests which would result in the Group as a whole having a contractual obligation in respect of those interests that meets the definition of a financial liability. For each business combination, the Group can elect to measure any non-controlling interests either at fair value or at the non-controlling interests' proportionate share of the subsidiary's net identifiable assets.

Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from equity attributable to the equity shareholders of the Company. Non-controlling interests in the results of the Group are presented on the face of the consolidated statement of profit or loss and the consolidated statement of profit or loss and other comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between non-controlling interests and the equity shareholders of the Company. Loans from holders of non-controlling interests and other contractual obligations towards these holders are presented as financial liabilities in the consolidated statement of financial position in accordance with notes 1(o) or 1(p) depending on the nature of the liability.

Changes in the Group's interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions, whereby adjustments are made to the amounts of controlling and non-controlling interests within consolidated equity to reflect the change in relative interests, but no adjustments are made to goodwill and no gain or loss is recognised.

1 主要會計政策(續)

(d) 附屬公司及非控股權益

附屬公司乃本集團控制的實體。當本集團對來自某一實體業務之浮動回報具有承擔或享有權利，以及能運用權力影響該等回報金額時，本集團即具有該實體之控制權。在評估本集團是否擁有權力時，只會考慮實質權利(由本集團及其他人士持有者)。

於受控制附屬公司的投資綜合於綜合財務報表，由控制開始之日起直至控制終止之日止。集團內公司間的結餘、交易及現金流與集團內公司間的交易所產生之任何未變現溢利，會於編製綜合財務報表時全面撇銷。集團內公司間的交易所產生之任何未變現虧損亦會如未變現收益般撇銷，惟倘無減值證據則例外。

非控股權益是指並非由本公司直接或間接於附屬公司應佔的權益，及本集團並未與該等權益的持有人達成任何額外條款，從而令本集團在總體上對該等權益產生合約性責任，使其符合金融負債的定義。就各項業務合併而言，本集團可選擇以公平價值或非控股權益按比例所分佔的附屬公司可辨別資產計量任何非控股權益。

非控股權益在綜合財務狀況表是包括在權益內但與屬於本公司權益股東的權益分開列示。本集團業績內的非控股權益作為本年度溢利或虧損總額及全面收益總額在非控股權益與本公司的權益股東之間的分配，於綜合損益表及綜合損益及其他全面收益表內單獨列示。來自非控股權益持有人的貸款及對該等持有人的其他合約承諾，根據附註1(o)或1(p)及取決於該等負債性質於綜合財務狀況表列作金融負債。

本集團於附屬公司中不會導致失去控制權的權益變動為權益交易入賬，並對綜合權益內的控股及非控股權益數額作出調整，以反映相關權益變動，惟不會對商譽作出調整，亦不會確認損益。

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1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Subsidiaries and non-controlling interests

(Continued)

When the Group loses control of a subsidiary, it is accounted for as a disposal of the entire interest in that subsidiary, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former subsidiary at the date when control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset or, when appropriate, the cost on initial recognition of an investment in an associate or joint venture (see note 1(e)).

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment losses (see note 1(k)(ii)).

(e) Associates and joint venture

An associate is an entity in which the Group or Company has significant influence, but not control or joint control, over its management, including participation in the financial and operating policy decisions.

A joint venture is an arrangement whereby the Group or Company and other parties contractually agree to share control of the arrangement, and have rights to the net assets of the arrangement.

An investment in an associate and joint venture is accounted for in the consolidated financial statements under the equity method. Under the equity method, the investment is initially recorded at cost, adjusted for any excess of the Group's share of the acquisition-date fair values of the investee's identifiable net assets over the cost of the investment (if any). The cost of the investment includes purchase price, other costs directly attributable to the acquisition of the investment, and any direct investment into the associate or joint venture that forms part of the Group's equity investment. Thereafter, the investment is adjusted for the post acquisition change in the Group's share of the investee's net assets and any impairment loss relating to the investment (see note 1(k)(ii)). At each reporting date, the Group assesses whether there is any objective evidence that the investment is impaired. Any acquisition-date excess over cost, the Group's share of the post-acquisition, post-tax results of the investees and any impairment loss for the year are recognised in the consolidated statement of profit or loss, whereas the Group's share of the post-acquisition post-tax items of the investee's other comprehensive income is recognised in the consolidated statement of profit or loss and other comprehensive income.

1 主要會計政策(續)

(d) 附屬公司及非控股權益(續)

本集團失去附屬公司控制權時作為出售該附屬公司全部權益入賬，所產生的收益或虧損於損益內確認。於失去控制權當日在前附屬公司所保留的任何權益按公平價值確認，有關金額視作金融資產初步確認時的公平價值或(如適用)於聯營公司或合營公司的投資初步確認時的成本(見附註1(e))。

於本公司的財務狀況表，於附屬公司的投資乃按成本減減值虧損列賬(見附註1(k)(ii))。

(e) 聯營公司及合營公司

聯營公司為本集團或本公司對其管理擁有重大影響力(包括參與財務及經營政策方面決定)但不受其單獨或共同控制的實體。

合營公司為一項安排，據此本集團或本公司及其他訂約方同意分享控制該安排，及對該安排之淨資產享有權利。

於聯營公司及合營公司的投資根據權益法於綜合財務報表入賬。根據權益法，該投資於初期確認時按成本列賬，並就本集團於收購日期應佔的被投資公司可辨別資產淨值超逾投資成本(如有)的任何部分作出調整。投資成本包括購買價、直接歸屬於收購投資的其他成本，以及對構成本集團股權投資部分的聯營公司或合營公司的任何直接投資。其後，有關投資按收購後本集團於被投資公司所佔淨資產比例的變化及有關投資之任何減值虧損(見附註1(k)(ii))進行調整。於各報告日期，本集團評估是否存在客觀跡象顯示投資出現減值。於收購日期超逾成本的任何部分，本集團於收購後所佔被投資公司的除稅後業績及年內減值虧損乃在綜合損益表確認，而本集團於收購後所佔被投資公司之其他全面收益之除稅後項目乃在綜合損益及其他全面收益表確認。

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1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Associates and joint venture (Continued)

When the Group's share of losses exceeds its interest in the associate or the joint venture, the Group's interest is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the investee. For this purpose, the Group's interest is the carrying amount of the investment under the equity method together with the Group's long-term interests that in substance form part of the Group's net investment in the associate or the joint venture after applying the expected credit losses ("ECLs") model to such other long-term interests where applicable (see note 1(k)(i)).

Unrealised profits and losses resulting from transactions between the Group and its associates and joint venture are eliminated to the extent of the Group's interest in the investee, except where unrealised losses provide evidence of an impairment of the asset transferred, in which case they are recognised immediately in profit or loss.

If an investment in an associate becomes an investment in a joint venture or vice versa, the retained interest is not remeasured. Instead, the investment continues to be accounted for under the equity method.

In all other cases, when the Group ceases to have significant influence over an associate or joint control over a joint venture, it is accounted for as a disposal of the entire interest in that investee, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former investee at the date when significant influence or joint control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset (see note 1(f)(ii)).

1 主要會計政策(續)

(e) 聯營公司及合營公司(續)

當本集團所佔聯營公司或合營公司虧損超出其權益，本集團的權益將會減至零，並會終止確認任何進一步的虧損，除非本集團已承擔法律或推定責任或代表被投資公司作出付款則另當別論。就此而言，本集團的權益為按權益法列賬的投資賬面值加上在實質上屬於本集團於聯營公司或合營公司(在預期信貸虧損(「預期信貸虧損」)模式應用於該等其他長期權益(如適用)後(參閱附註1(k)(i)))的投資淨額的長期權益。

本集團與其聯營公司及合營公司之間的交易所產生的未變現損益將予撤銷，惟以本集團於被投資公司的權益為限。然而，如有證據顯示已轉讓資產減值，則有關的未變現虧損將即時確認為損益。

如果對聯營公司的投資成為對合營公司的投資，或反之亦然，則不會重新計量留存權益。相反，投資將繼續按權益法進行核算。

在所有其他情況下，當本集團不再對聯營公司擁有重大影響力或不再對一間合營公司擁有共同控制時，將視作出售於該被投資公司的全部權益入賬，所產生的收益或虧損則於損益確認。於失去重大影響力或共同控制當日在前被投資公司保留的任何權益按公平價值確認，有關金額視作金融資產初步確認時的公平價值(見附註1(f)(ii))。

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1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Investments in debt securities measured at amortised cost and equity securities

The Group's policies for investments in debt securities measured at amortised cost and equity securities, other than investments in subsidiaries, associates and joint ventures, are set out below.

Investments in debt securities measured at amortised cost and equity securities are recognised/derecognised on the date the Group commits to purchase/sell the investment. The investments are initially stated at fair value plus directly attributable transaction costs, except for those investments measured at fair value through profit or loss ("FVPL") for which transaction costs are recognised directly in profit or loss. For an explanation of how the Group determines fair value of financial instruments, see note 15. These investments are subsequently accounted for as follows, depending on their classification:

(i) Investment in debt securities measured at amortised cost

Investment is measured at amortised cost, if the investment is held for the collection of contractual cash flows, which represent solely payments of principal and interest. Interest income from the investment is calculated using the effective interest method (see note 1(u)(iv)).

(ii) Equity investment

An investment in equity securities is classified as FVPL unless the equity investment is not held for trading purposes and on initial recognition of the investment the Group makes an irrevocable election to designate the investment at FVOCI (non-recycling) such that subsequent changes in fair value are recognised in other comprehensive income. Such elections are made on an instrument-by-instrument basis, but may only be made if the investment meets the definition of equity from the issuer's perspective. Where such an election is made, the amount accumulated in other comprehensive income remains in the fair value reserve (non-recycling) until the investment is disposed of. At the time of disposal, the amount accumulated in the fair value reserve (non-recycling) is transferred to retained profits/accumulated losses. It is not recycled through profit or loss. Dividends from an investment in equity securities, irrespective of whether classified as at FVPL or FVOCI, are recognised in profit or loss as other income in accordance with the policy set out in note 1(u)(iii).

1 主要會計政策(續)

(f) 於按攤銷成本計量之債務證券及股本證券之投資

本集團對於按攤銷成本計量之債務證券及股本證券投資的政策(於附屬公司、聯營公司及合營公司之投資除外)載列如下：

於按攤銷成本計量之債務證券及股本證券之投資於本集團承諾購買／出售該項投資之日期確認／終止確認。該等投資按公平價值加直接應佔交易成本初始列示，惟按公平價值計入損益(「按公平價值計入損益」)的投資之交易成本直接於損益確認。有關本集團如何釐定金融工具公平價值的說明，見附註15。該等投資按其分類後續處理方式如下：

(i) 於按攤銷成本計量之債務證券之投資

倘投資乃持作收取合約現金流量，即純粹為支付本金及利息，則投資按攤銷成本計量。來自投資之利息收入乃使用實際利息法計算(見附註1(u)(iv))。

(ii) 股本投資

股本證券投資被分類為按公平價值計入損益計量，除非股本投資並非持作買賣用途，且在初始確認該等投資時，本集團作出不可撤銷選擇以指定為按公平價值計入其他全面收益(非劃轉)計量的投資，其公平價值的後續變動於其他全面收益確認。該項選擇乃基於各項工具作出，但僅在該項投資從發行人的角度符合權益的定義時方才作出。倘若作出該項選擇，則其他全面收益中的累計金額將保留於公平價值儲備(非劃轉)中，直至該項投資被出售。於該項投資出售時，公平價值儲備(非劃轉)中的累計金額轉至保留溢利／累計虧損，而不通過損益劃轉。不論是分類為按公平價值計入損益或按公平價值計入其他全面收益計量的股本證券投資之股息，均根據附錄1(u)(iii)所載的政策於損益中確認為其他收入。

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1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Investment properties

Investment properties are land and buildings which are owned or held under a leasehold interest to earn rental income and/or for capital appreciation. These include land held for a currently undetermined future use and property that is being constructed or developed for future use as investment property.

Investment properties are stated at cost less accumulated depreciation and impairment losses (see note 1(k)(ii)). Depreciation is calculated to write off the cost of investment properties, less their estimate residual value, if any, using the straight line method over the shorter of the unexpired term of lease and the estimated useful lives of 20 years. Rental income from investment properties is accounted for as described in note 1(u)(ii).

(h) Property, plant and equipment

The following items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses (see note 1(k)(ii)):

- freehold land and buildings;
- interest in leasehold land and building where the Group is the registered owner of the property interest;
- right-of-use assets arising from leases over freehold or leasehold properties where the Group is not the registered owner of the property interest; and
- items of plant and equipment, including right-of-use assets, arising from leases of underlying plant and equipment (see note 1(j)).

The cost of self-constructed items of property, plant and equipment includes the cost of materials, direct labour, the initial estimate, where relevant, of the costs of dismantling and removing the items and restoring the site on which they are located, and an appropriate proportion of production overheads and borrowing costs (see note 1(w)).

1 主要會計政策(續)

(g) 投資物業

投資物業為擁有或根據租賃權益持有之土地及樓宇，以賺取租金收入及／或資本增值。該等物業包括目前持有尚未確定未來用途的土地及在建或開發未來用作投資物業的物業。

投資物業按成本減累計折舊及減值虧損列賬(見附註1(k)(ii))。折舊乃根據投資物業未到期的租賃年期與估計可使用年期20年的較短者，按直線法撇銷其成本(扣除其估計剩餘價值(若有))計算。投資物業租金收入如附註1(u)(ii)描述列賬。

(h) 物業、廠房及設備

下列物業、廠房及設備之各項目乃按成本減累計折舊及減值虧損計算(見附註1(k)(ii))：

- 永久業權土地及樓宇；
- 於租賃本集團為物業權益之註冊擁有人的土地及樓宇的權益；
- 租賃本集團非物業權益之註冊擁有人的永久業權物業或租賃物業產生的使用權資產；及
- 廠房及設備項目，包括租賃相關廠房及設備產生的使用權資產(見附註1(j))。

自建物業、廠房及設備成本包括物料成本、直接勞工成本、拆卸及搬遷項目以及恢復項目所在地原貌的成本的初步估計(倘有關)和適當比例的生產經常費用及借貸成本(見附註1(w))。

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1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Property, plant and equipment (Continued)

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal.

Depreciation is calculated to write off the cost of items of property, plant and equipment, less their estimated residual value, if any, using the straight line method over their estimated useful lives as follows:

- Freehold land is not depreciated.
- Buildings situated on freehold land are depreciated over their estimated useful lives, being no more than 40 years after the date of completion.
- Leasehold land is depreciated over the unexpired term of lease.
- The Group's interests in buildings situated on leasehold land are depreciated over the shorter of the unexpired term of lease and their estimated useful lives, being no more than 40 years after the date of completion.
- Leasehold improvements are depreciated over the shorter of the unexpired term of lease or 5 years.
- Office equipment, furniture and fixtures 3-5 years
- Plant and machinery 3-20 years
- Motor vehicles 5 years

Where parts of an item of property, plant and equipment have different useful lives, the cost of the item is allocated on a reasonable basis between the parts and each part is depreciated separately. Both the useful life of an asset and its residual value, if any, are reviewed annually.

1 主要會計政策(續)

(h) 物業、廠房及設備(續)

報廢或出售物業、廠房及設備項目所產生的損益以項目出售所得款項淨額與項目的賬面值之間的差額釐定，並於報廢或出售當日在損益確認。

折舊乃根據以下物業、廠房及設備項目的估計可使用年期，按直線法撇銷其成本(扣除其估計剩餘價值(若有))計算：

- 永久業權土地不會予以折舊。
- 位於永久業權土地上的樓宇按其估計可使用年期(即完成日期後不多於40年)折舊。
- 租賃土地按未到期的租賃年期折舊。
- 本集團於位於租賃土地的樓宇的權益按未到期的租賃年期及其估計可使用年期(即完成日期後不多於40年)(以較短者為準)折舊。
- 租賃物業裝修按未到期的租賃年期或5年(以較短者為準)折舊。
- 辦公室設備、傢俬及固定裝置 3-5年
- 廠房及機器 3-20年
- 汽車 5年

當一項物業、廠房及設備項目的各部分有不同的可使用年期，該項目各部分的成本將按合理基礎分配，而每部分將作個別折舊。資產的可使用年期及剩餘價值(如有)於每年進行檢討。

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(Expressed in United States dollars unless otherwise indicated) (除非另有說明，以美元表示)

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Intangible assets

Expenditure on research activities is recognised as an expense in the period in which it is incurred. Expenditure on development activities is capitalised if the product or process is technically and commercially feasible and the Group has sufficient resources and the intention to complete the development. The expenditure capitalised includes the costs of materials, direct labour, and an appropriate proportion of overheads and borrowing costs, where applicable (see note 1(w)). Capitalised development costs are stated at cost less accumulated amortisation and impairment losses (see note 1(k)(ii)). Other development expenditure is recognised as an expense in the period in which it is incurred.

Other intangible assets that are acquired by the Group are stated at cost less accumulated amortisation (where the estimated useful life is finite) and impairment losses (see note 1(k)(ii)). Expenditure on internally generated goodwill and brands is recognised as an expense in the period in which it is incurred.

Amortisation of intangible assets with finite useful lives is charged to profit or loss on a straight-line basis over the assets' estimated useful lives. The following intangible assets with finite useful lives are amortised from the date they are available for use and their estimated useful lives are as follows:

- Brand name	20 years
- Computer software	2-10 years
- Cooperation agreement	8 years
- Customer relationships	10-11 years
- Order backlog	2-6 years
- Patents	5-6 years
- Technical knowledge	5-10 years

Both the period and method of amortisation are reviewed annually.

1 主要會計政策(續)

(i) 無形資產

研究活動開支乃於產生期間確認為開支。開發活動開支於產品或工序在技術上及商業上可行，而本集團有充足資源及有意完成開發的情況下撥充資本。已撥充資本的開支包括原料成本、直接勞工及按適當比例計算的間接開支，以及(如適用)借貸成本(見附註1(w))。已撥充資本的開發成本以成本減累計攤銷及減值虧損列賬(見附註1(k)(ii))。其他開發開支於產生期間確認為開支。

本集團收購之其他無形資產按成本減累計攤銷(倘估計屬有限可使用年期屬有限)及減值虧損(見附註1(k)(ii))列賬。內部產生之商譽及品牌之開支乃於其產生期間確認為支出。

有限可使用年期之無形資產之攤銷，於資產之估計可使用年期按直線法於損益表中扣除。下列具有有限可使用年期之無形資產自其可使用日期起計算攤銷，而其各自之估計可使用年期如下：

- 品牌名稱	20年
- 電腦軟件	2-10年
- 合作協議	8年
- 客戶關係	10-11年
- 未完成訂單	2-6年
- 專利	5-6年
- 專門技術知識	5-10年

攤銷期間及方法會每年進行檢討。

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1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Leased assets

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

(i) As a lessee

At the lease commencement date, the Group recognises a right-of-use asset and a lease liability, except for short-term leases that have a lease term of 12 months or less and leases of low-value assets. When the Group enters into a lease in respect of a low-value asset, the Group decides whether to capitalise the lease on a lease-by-lease basis. The lease payments associated with those leases which are not capitalised are recognised as an expense on a systematic basis over the lease term.

Where the lease is capitalised, the lease liability is initially recognised at the present value of the lease payments payable over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using a relevant incremental borrowing rate. After initial recognition, the lease liability is measured at amortised cost and interest expense is calculated using the effective interest method. Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability and hence are charged to profit or loss in the accounting period in which they are incurred.

The right-of-use asset recognised when a lease is capitalised is initially measured at cost, which comprises the initial amount of the lease liability plus any lease payments made at or before the commencement date, and any initial direct costs incurred. Where applicable, the cost of the right-of-use assets also includes an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, discounted to their present value, less any lease incentives received. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses (see notes 1(h) and 1(k)(ii)).

1 主要會計政策(續)

(j) 租賃資產

本集團於合約初始評估有關合約是否屬租賃或包含租賃。倘合約為換取代價而給予在一段時間內控制可識別資產使用的權利，則該合約是租賃或包含租賃。倘客戶同時有權管理可識別資產的使用及取得因使用可識別資產而帶來的絕大部分經濟利益，即擁有控制權。

(i) 作為承租人

於租賃開始日期，本集團確認使用權資產及租賃負債，惟租期為12個月或以下者的短期租賃及低價值資產的租賃則除外。當本集團訂立低價值資產的租賃時，本集團決定是否按租賃基準資本化租賃。與未資本化的租賃相關的租賃付款於租期內按系統化基準確認為開支。

倘租賃已資本化，則租賃負債初步按租期內應付租賃付款之現值確認，按租約隱含的利率貼現，或倘該利率不能即時釐定，則按相關增量借款利率貼現。初步確認後，租賃負債按攤銷成本計量，利息開支按實際利息法計算。無需視乎指數或利率的可變租賃付款不計入租賃負債的計量，因此於其產生的會計期間計入損益。

當租賃已資本化時，已確認使用權資產初步按成本計量，包括租賃負債的初步金額加任何於生效日期或之前作出的租賃付款及所產生的任何初步直接成本。倘適用，使用權資產的成本亦包括於資產所在地拆除及移除相關資產或恢復相關資產的估計成本，貼現至其現值，減任何所收的租賃優惠。使用權資產其後按成本減累計折舊及減值虧損列賬(見附註1(h)及1(k)(ii))。

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1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Leased assets (Continued)

(i) As a lessee (Continued)

The initial fair value of refundable rental deposits is accounted for separately from the right-of-use assets in accordance with the accounting policy applicable to investments in debt securities carried at amortised cost (see notes 1(f)(i), 1(k)(i) and 1(u)(iv)). Any difference between the initial fair value and the nominal value of the deposits is accounted for as additional lease payments made and is included in the cost of right-of-use assets.

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, or there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or there is a change arising from the reassessment of whether the Group will be reasonably certain to exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The lease liability is also remeasured when there is a change in the scope of a lease or the consideration for a lease that is not originally provided for in the lease contract ("lease modification") that is not accounted for as a separate lease. In this case the lease liability is remeasured based on the revised lease payments and lease term using a revised discount rate at the effective date of the modification.

In the consolidated statement of financial position, the current portion of long-term lease liabilities is determined as the present value of contractual payments that are due to be settled within twelve months after the reporting period.

1 主要會計政策(續)

(j) 租賃資產(續)

(i) 作為承租人(續)

可退還租金按金的初始公平價值乃按照適用於按攤銷成本計量的債務證券投資的會計政策與使用權資產分開入賬(見附註1(f)(i)、1(k)(i)及1(u)(iv))。初始公平價值與按金名義價值之間的任何差異乃作為作出的額外租賃付款入賬，並計入使用權資產成本。

租賃負債於以下情況重新計量：指數或利率變動產生未來租賃付款變動，或本集團估計將根據剩餘價值擔保應付的預期金額發生變動，或重新評估本集團是否確定將行使購買、延長或終止權而產生變動。倘租賃負債按此重新計量，則對使用權資產的賬面值進行相應調整，或倘使用權資產的賬面值減至零，則計入損益。

當租賃範疇發生變化或租賃合約原先並無規定的租賃代價發生變化(「租賃修改」)，且未作為單獨的租賃入賬時，則亦要對租賃負債進行重新計量。在此情況下，租賃負債根據經修訂的租賃付款及租賃期限，使用經修訂的貼現率在修改生效日重新計量。

於綜合財務狀況表中，長期租賃負債的當前部分乃根據預期將於報告期後十二個月內到期償付的合約付款的現值釐定。

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1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Leased assets (Continued)

(ii) As a lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to the ownership of an underlying assets to the lessee. If this is not the case, the lease is classified as an operating lease.

When a contract contains lease and non-lease components, the Group allocates the consideration in the contract to each component on a relative stand-alone selling price basis. The rental income from operating leases is recognised in accordance with note 1(u)(ii).

When the Group is an intermediate lessor, the sub-leases are classified as a finance lease or as an operating lease with reference to the right-of-use asset arising from the head lease. If the head lease is a short-term lease to which the Group applies the exemption described in note 1(j)(i), then the Group classifies the sub-lease as an operating lease.

(k) Credit losses and impairment of assets

(i) Credit losses from financial instruments, contract assets and lease receivables

The Group recognises a loss allowance for ECLs on the following items:

- financial assets measured at amortised cost (including cash and cash equivalents and trade and other receivables);
- contract assets as defined in HKFRS 15, *Revenue from Contracts with Customers* (see note 1(m)); and
- lease receivables.

Equity securities designated at FVOCI (non-recycling) are not subject to the ECL assessment.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all expected cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

1 主要會計政策(續)

(j) 租賃資產(續)

(ii) 作為出租人

倘本集團作為出租人，其於租賃開始時釐定各租賃為融資租賃或經營租賃。倘租賃轉移相關資產所有權附帶之絕大部分風險及回報至承租人，則租賃分類為融資租賃。否則，租賃分類為經營租賃。

倘合約包含租賃及非租賃部分，本集團按相關單獨售價基準將合約代價分配至各部分。經營租賃所得租金收入根據附註1(u)(ii)確認。

倘本集團為中介出租人，分租賃乃參考主租賃產生的使用權資產，分類為融資租賃或經營租賃。倘主租賃乃短期租賃而本集團應用附註1(j)(i)所述豁免，則本集團分類分租賃為經營租賃。

(k) 信貸虧損及資產減值

(i) 金融工具、合約資產及租賃應收款產生的信貸虧損

本集團就下列項目之預期信貸虧損確認虧損撥備：

- 按攤銷成本計量的金融資產(包括現金及現金等值物以及貿易應收及其他應收款項)；
- 誠如香港財務報告準則第15號，客戶合約收益(見附註1(m))所界定的合約資產；及
- 租賃應收款。

指定按公平價值計入其他全面收益的股本證券(非劃轉)不適用於預期信貸虧損評估。

計量預期信貸虧損

預期信貸虧損為信貸虧損的概率加權估計。信貸虧損以所有預期現金差額的現值(即根據合約應付予本集團的現金流量與本集團預計收取的現金流量之間的差額)計量。

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1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Credit losses and impairment of assets

(Continued)

(i) Credit losses from financial instruments, contract assets and lease receivables (Continued)

Measurement of ECLs (Continued)

The expected cash shortfalls discounted using the following discount rates where the effect of discounting is material:

- fixed-rate financial assets, trade and other receivables and contract assets: effective interest rate determined at initial recognition or an approximation thereof;
- variable-rate financial assets: current effective interest rate;
- lease receivables: discount rate used in the measurements of the lease receivable.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

In measuring ECLs, the Group takes into account reasonable and supportable information that is available without undue cost or effort. This includes information about past events, current conditions and forecasts of future economic conditions.

ECLs are measured on either of the following bases:

- 12-month ECLs: these are losses that are expected to result from possible default events within the 12 months after the reporting date; and
- Lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of the items to which the ECL model applies.

Loss allowances for trade receivables, lease receivables and contract assets are always measured at an amount equal to lifetime ECLs. ECLs on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both the current and forecast general economic conditions at the reporting date.

1 主要會計政策(續)

(k) 信貸虧損及資產減值(續)

(i) 金融工具、合約資產及租賃應收款產生的信貸虧損(續)

計量預期信貸虧損(續)

倘貼現的影響重大，則使用以下貼現率貼現預期短缺現金：

- 固定利率金融資產、貿易應收及其他應收款項以及合約資產：初始確認時確定的實際利率或其近似值；
- 浮動利率金融資產：當前實際利率；
- 租賃應收款：計量租賃應收款使用的貼現率。

估計預期信貸虧損時考慮的最長期限是本集團面臨信貸風險的最長合約期。

於計量預期信貸虧損時，本集團會考慮在毋需付出不必要成本或努力下即可獲得的合理可靠資料。該資料包括過往事件、現時狀況及未來經濟狀況預測的資料。

預期信貸虧損採用以下基準計量：

- 12個月預期信貸虧損：預計在報告期末後12個月內可能發生的違約事件而導致的損失；及
- 全期預期信貸虧損：預計該等採用預期信貸虧損模式的項目在整個存續期內所有可能發生的違約事件而導致的損失。

貿易應收款項、租賃應收款及合約資產的虧損撥備一般按等同全期預期信貸虧損的金額計量。於報告日期，該等金融資產的預期信貸虧損乃根據本集團的歷史信貸虧損經驗使用提列矩陣進行評估，根據債務人的特定因素及對當前及預計一般經濟狀況的評估進行調整。

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(Expressed in United States dollars unless otherwise indicated) (除非另有說明，以美元表示)

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Credit losses and impairment of assets

(Continued)

(i) Credit losses from financial instruments, contract assets and lease receivables (Continued)

Measurement of ECLs (Continued)

For all other financial instruments, the Group recognises a loss allowance equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

Significant increases in credit risk

In assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the Group compares the risk of default occurring on the financial instrument assessed at the reporting date with that assessed at the date of initial recognition. In making this reassessment, the Group considers that a default event occurs when (i) the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or (ii) the financial asset is 90 days past due. The Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- failure to make payments of principal or interest on their contractually due dates;
- an actual or expected significant deterioration in a financial instrument's external or internal credit rating (if available);
- an actual or expected significant deterioration in the operating results of the debtor; and
- existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

1 主要會計政策(續)

(k) 信貸虧損及資產減值(續)

(i) 金融工具、合約資產及租賃應收款產生的信貸虧損(續)

計量預期信貸虧損(續)

就所有其他金融工具而言，本集團確認相當於12個月預期信貸虧損的虧損撥備，惟自初始確認以來金融工具的信貸風險顯著增加除外，於此情況下，虧損撥備等同全期預期信貸虧損的金額。

信貸風險顯著增加

在評估金融工具的信貸風險自初始確認後是否顯著增加，本集團比較金融工具於報告日期與於初始確認日所評估的發生違約的風險。在進行此重新評估時，本集團認為以下情況屬違約事件發生：(i) 借款人不可能在本集團無追索權(例如：實現擔保)(如持有)下向本集團悉數支付其信貸義務；或(ii) 該金融資產逾期90日。本集團考慮合理且可支持的定量和定性資料，包括毋須不必要的成本或努力可取得之歷史經驗及前瞻性資料。

在評估自初始確認後信貸風險是否顯著增加時會尤其考慮以下資料：

- 未能在合約到期日支付本金或利息；
- 金融工具的外部或內部信貸評級(如有)有實際或預期的顯著惡化；
- 債務人經營業績有實際或預期顯著惡化；及
- 技術、市場、經濟或法律環境的現有或預測變化，對債務人履行其對本集團義務的能力產生重大不利影響。

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(Expressed in United States dollars unless otherwise indicated) (除非另有說明，以美元表示)

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Credit losses and impairment of assets

(Continued)

(i) Credit losses from financial instruments, contract assets and lease receivables (Continued)

Significant increases in credit risk (Continued)

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on either an individual basis or a collective basis. When the assessment is performed on a collective basis, the financial instruments are grouped based on shared credit risk characteristics, such as past due status and credit risk ratings.

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECL amount is recognised as an impairment gain or loss in profit or loss. The Group recognises an impairment gain or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

Basis of calculation of interest income

Interest income recognised in accordance with note 1(u)(iv) is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit-impaired, in which case interest income is calculated based on the amortised cost (i.e. the gross carrying amount less loss allowance) of the financial asset.

At each reporting date, the Group assesses whether a financial asset is credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

1 主要會計政策(續)

(k) 信貸虧損及資產減值(續)

(i) 金融工具、合約資產及租賃應收款產生的信貸虧損(續)

信貸風險顯著增加(續)

根據金融工具的性質，就信貸風險顯著增加的評估乃於單獨或集體基礎上進行。當於集體基礎上評估時，金融工具根據共有之信貸風險特徵進行分組，例如過期狀態及信貸風險評級。

預期信貸虧損於每個報告日期予以重新計量以反映自初始確認以來金融工具信貸風險的變化。預期信貸虧損金額的任何變動於損益中確認為減值收益或虧損。本集團就確認所有金融工具的減值收益或虧損，透過虧損撥備賬對其賬面金額進行相應調整。

利息收入之計算基礎

根據附註1(u)(iv)確認的利息收入乃根據金融資產的賬面總值計算，惟金融資產需要信貸減值的情況下，利息收入乃根據金融資產的攤銷成本(即賬面總值減虧損撥備)計算。

於各報告日期，本集團評估金融資產是否有信貸減值。當一項或多項事件對金融資產的估計未來現金流量產生不利影響時，金融資產即出現信貸減值。

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(Expressed in United States dollars unless otherwise indicated) (除非另有說明，以美元表示)

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Credit losses and impairment of assets

(Continued)

(i) Credit losses from financial instruments, contract assets and lease receivables (Continued)

Basis of calculation of interest income (Continued)

Evidence that a financial asset is credit-impaired includes the following observable events:

- significant financial difficulties of the debtor;
- a breach of contract, such as a default or past due event;
- it becoming probable that the borrower will enter into bankruptcy or other financial reorganisation;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; or
- the disappearance of an active market for a security because of financial difficulties of the issuer.

Write-off policy

The gross carrying amount of a financial asset, lease receivable or contract asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

Subsequent recoveries of an asset that was previously written off are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

1 主要會計政策(續)

(k) 信貸虧損及資產減值(續)

(i) 金融工具、合約資產及租賃應收款產生的信貸虧損(續)

利息收入之計算基礎(續)

金融資產信貸減值的證據包括以下可觀察事件：

- 債務人的重大財務困難；
- 違約，例如違約或逾期事件；
- 借款人很可能會進入破產或其他財務重組；
- 對債務人產生不利影響的技術、市場、經濟或法律環境發生重大變化；或
- 由於發行人的財務困難造成活躍證券市場的消失。

撇銷政策

金融資產、租賃應收款或合約資產的賬面總值在沒有實際可收回展望的情況下予以撇銷(部分或全部)。一般情況是當本集團確定債務人沒有資產或收入來源可以產生足夠現金流量以償付撇銷之金額。

先前已撇銷的資產的後續回收於收回發生期間確認為損益減值撥回。

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1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Credit losses and impairment of assets

(Continued)

(ii) Impairment of other non-current assets

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that the following assets may be impaired or an impairment loss previously recognised no longer exists or may have decreased:

- property, plant and equipment, including right-of-use assets;
- investment properties;
- intangible assets; and
- investments in subsidiaries in the Company's statement of financial position.

If any such indication exists, the asset's recoverable amount is estimated.

- *Calculation of recoverable amount*
The recoverable amount of an asset is the greater of its fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).

1 主要會計政策(續)

(k) 信貸虧損及資產減值(續)

(ii) 其他非流動資產減值

於各報告期末均會審閱內部及外部資料，以確定有否跡象顯示以下資產出現減值或前期已確認的減值虧損是否不再存在或是否已減少：

- 物業、廠房及設備，包括使用權資產；
- 投資物業；
- 無形資產；及
- 本公司財務狀況表內附屬公司投資。

如存在任何該等跡象，將會估計資產的可收回金額。

- *計算可收回金額*
資產的可收回金額以其公平價值減出售成本和使用價值兩者中的較高數額為準。在評估使用價值時，會使用除稅前折舊率將估計未來現金流量折讓至現值。該折讓率應是反映市場當時所評估的貨幣時間價值和該資產的獨有風險。如果資產所產生的現金流入很大程度上不獨立於其他資產所產生的現金流入，則以能獨立產生現金流入的最小資產組別(即現金產生單位)來釐定可收回金額。

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1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Credit losses and impairment of assets

(Continued)

(ii) Impairment of other non-current assets (Continued)

- *Recognition of impairment losses*
An impairment loss is recognised in profit or loss if the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated to reduce the carrying amount of the assets in the cash-generating unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs of disposal (if measurable), or value in use (if determinable).
- *Reversals of impairment losses*
An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

(iii) Interim financial reporting and impairment

Under the Listing Rules, the Group is required to prepare an interim financial report in compliance with HKAS 34, *Interim financial reporting*, in respect of the first six months of the financial year. At the end of the interim period, the Group applies the same impairment testing, recognition, and reversal criteria as it would at the end of the financial year (see notes 1(k)(i) and (ii)).

1 主要會計政策(續)

(k) 信貸虧損及資產減值(續)

(ii) 其他非流動資產減值(續)

- *減值虧損確認*
倘資產或其所屬的現金產生單位的賬面值超過其可收回金額，則於損益確認減值虧損。就現金產生單位確認的減值虧損會予以分配，按比例減少現金產生單位(或單位群)的資產的賬面值，惟資產的賬面值將不會減少至低於其個別公平價值減出售成本(倘能計量)或使用價值(倘能釐定)。
- *減值虧損撥回*
倘若用以釐定可收回金額的估計發生變化，便會將減值虧損撥回，所撥回的減值虧損以假設沒有在往年確認減值虧損而應已釐定的資產賬面金額為限。所撥回的減值虧損在確認撥回的年度內計入損益。

(iii) 中期財務報告及減值

根據上市規則，本集團須根據香港會計準則第34號*中期財務報告*就財政年度首六個月編製中期財務報告。於中期完結時，本集團採用於財政年度完結時應採用的同一減值測試、確認及撥回標準(見附註1(k)(i)及(ii))。

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1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(I) Inventories

Inventories are assets which are held for sale in the ordinary course of business, in the process of production for such sale or in the form of materials or supplies to be consumed in the production process or in the rendering of services.

Inventories are carried at the lower of cost and net realisable value.

Cost is calculated using the weighted average cost formula and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised.

The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

1 主要會計政策(續)

(I) 存貨

存貨是指日常業務過程中持作出售、處在為該等銷售的生產過程中，或在生產過程或提供服務中耗用的材料或物料形式持有的資產。

存貨按成本值與可變現淨值兩者中較低者列賬。

成本按加權平均公式計算，其包括所有採購成本、加工成本及將存貨運至目的地和變成現狀的其他成本。

可變現淨值乃為日常業務過程中的估計售價減去估計完成成本及完成銷售所需的估計成本後所得的數額。

當存貨出售時，其賬面值於有關收益確認入賬的期間確認入賬列為支出。

任何存貨撇減為可變現淨值及所有存貨虧損一概在撇減或虧損產生期間確認為支出。任何存貨撇減撥回數額則於撥回發生的期間確認，列作確認為開支的存貨的減額。

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1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(m) Contract assets and contract liabilities

A contract asset is recognised when the Group recognises revenue (see note 1(u)) before being unconditionally entitled to the consideration under the payment terms set out in the contract. Contract assets are assessed for ECLs in accordance with the policy set out in note 1(k)(i) and are reclassified to receivables when the right to the consideration has become unconditional (see note 1(n)).

A contract liability is recognised when the customer pays consideration before the Group recognises the related revenue (see note 1(u)). A contract liability would also be recognised if the Group has an unconditional right to receive consideration before the Group recognises the related revenue. In such cases, a corresponding receivable would also be recognised (see note 1(n)).

For a single contract with the customer, either a net contract asset or a net contract liability is presented. For multiple contracts, contract assets and contract liabilities of unrelated contracts are not presented on a net basis.

When the contract includes a significant financing component, the contract balance includes interest accrued under the effective interest method (see note 1(u)(iv)).

(n) Trade and other receivables

A receivable is recognised when the Group has an unconditional right to receive consideration. A right to receive consideration is unconditional if only the passage of time is required before payment of that consideration is due. If revenue has been recognised before the Group has an unconditional right to receive consideration, the amount is presented as a contract asset (see note 1(m)).

Trade receivables that do not contain a significant financing component are initially measured at their transaction price. Trade receivables that contain a significant financing component and other receivables are initially measured at fair value plus transaction costs. All receivables are subsequently stated at amortised cost using the effective interest method less allowance for credit losses (see note 1(k)(i)).

1 主要會計政策(續)

(m) 合約資產及合約負債

在本集團有權無條件收取合約所載付款條款代價前確認收益(見附註1(u))時確認合約資產。合約資產按附註1(k)(i)所載政策就預期信貸虧損而獲評估，並在代價權利成為無條件後獲重新分類至應收款項(見附註1(n))。

本集團確認相關收益前，合約負債在客戶支付代價時確認(見附註1(u))。如本集團有無條件權利在本集團確認相關收益前收取代價，則合約負債亦會獲確認。在相關情況下，相應應收款項亦會獲確認(見附註1(n))。

就與客戶簽訂的單一合約而言，應按合約資產淨值或合約負債淨額呈列。就多份合約而言，不相關合約的合約資產與合約負債不以淨額呈列。

合約計及重大融資成分時，合約結餘計入按實際利息法累計的利息(見附註1(u)(iv))。

(n) 貿易應收及其他應收款項

應收款項於本集團擁有無條件收取代價的權利時確認。倘代價到期付款前僅需待時間推移，則收取代價之權利為無條件。倘收入於本集團擁有無條件收取代價權利前已確認，該金額則按合約資產呈列(見附註1(m))。

不包含重大融資成分的貿易應收款項按其交易價格進行初步計量。包含重大融資成分的貿易應收款項及其他應收款項按公平價值加交易成本進行初步計量。所有應收款項隨後使用實際利息法按攤銷成本減信貸虧損撥備列賬(見附註1(k)(i))。

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(Expressed in United States dollars unless otherwise indicated) (除非另有說明，以美元表示)

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(o) Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method. Interest expense is recognised in accordance with the Group's accounting policy for borrowing costs (see note 1(w)).

(p) Trade and other payables

Trade and other payables are initially recognised at fair value and are subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at invoice amounts.

(q) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Cash and cash equivalents are assessed for ECLs in accordance with the policy set out in note 1(k)(i).

(r) Employee benefits

(i) Short-term employee benefits and contributions to defined contribution retirement plans

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

1 主要會計政策(續)

(o) 附息借貸

附息借貸初步按公平價值減交易成本確認。初始確認後，附息借貸使用實際利息法按攤銷成本列賬。利息開支根據本集團借貸成本相關會計政策予以確認(見附註1(w))。

(p) 貿易應付及其他應付款項

貿易應付及其他應付款項初步按公平價值確認，及其後按攤銷成本入賬，惟倘若貼現影響並不重大，則按發票金額入賬。

(q) 現金及現金等值物

現金及現金等值物包括存放於銀行及手頭現金、存放於銀行及其他金融機構活期存款，及短期、高流動性及隨時可兌現為既定金額且價值變動風險較少，並於購入後三個月內到期的投資。現金及現金等價物根據附註1(k)(i)所載政策作出預期信貸虧損的評估。

(r) 僱員福利

(i) 短期僱員福利及向定額供款退休計劃作出的供款

薪金、年度花紅、有薪年假、向定額供款退休計劃作出的供款及非貨幣福利成本於僱員提供相關服務的年度計提。倘該等金額的付款或結算遞延及影響重大時則以現值列賬。

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(Expressed in United States dollars unless otherwise indicated) (除非另有說明，以美元表示)

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(r) Employee benefits (Continued)

(ii) Share-based payments

Share award scheme

The fair value of awarded shares granted to employees is recognised as an employee cost with a corresponding increase in employee share-based compensation reserve within equity. The fair value of awarded shares is based on the closing price at the grant date. Where the employees have to meet vesting conditions before becoming unconditionally entitled to the awarded shares, the total estimated fair value of the awarded shares is spread over the vesting period, taking into account the probability that the awarded shares will vest.

During the vesting period, the number of awarded shares that is expected to vest is reviewed. Any resulting adjustment to the cumulative fair value recognised in prior years is charged/credited to profit or loss for the year of the review, unless the original employee expenses qualify for recognition as an asset, with a corresponding adjustment to the employee share-based compensation reserve. On vesting date, the amount recognised as an expense is adjusted to reflect the actual number of awarded shares that vest (with a corresponding adjustment to the employee share-based compensation reserve) except where forfeiture is only due to not achieving vesting conditions that relate to the market price of the Company's shares.

No expense is recognised for awarded shares that do not ultimately vest, except for equity-settled transactions where vesting is conditional upon a market or non-vesting condition, which are treated as vested irrespective of whether or not the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

1 主要會計政策(續)

(r) 僱員福利(續)

(ii) 以股份為基礎支付的付款

股份獎勵計劃

向僱員授出獎勵股份的公平價值確認為僱員成本，並於權益中之僱員股份補償儲備作相應增加。獎勵股份的公平價值乃於授出日期按收市價計量。倘僱員須在無條件享有獎勵股份前符合歸屬條件，獎勵股份的估計公平價值總額按歸屬期內攤分入賬，經計及獎勵股份將歸屬之可能性。

於歸屬期內，本集團會審閱預期將歸屬之獎勵股份數目。除非原僱員開支符合資格確認為資產，否則對過往年度已確認累計公平價值所作出之任何調整，均在回顧年度內扣除／計入損益，並對僱員股份補償儲備作出相應調整。於歸屬日期，本集團會對確認為開支之數額作出調整，以反映所歸屬獎勵股份之實際數目(並對僱員股份補償儲備作出相應調整)，惟僅因未能達成與本公司股份市價有關之歸屬條件而遭沒收之購股權則除外。

概無就最終無歸屬之獎勵股份確認支出，除非有關股本結算交易之歸屬以市場條件或非歸屬條件為附帶條件，則無論市場條件或非歸屬條件獲履行與否，而所有其他績效及／或服務條件均獲履行，仍被視為一項歸屬。

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(Expressed in United States dollars unless otherwise indicated) (除非另有說明，以美元表示)

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(r) Employee benefits (Continued)

(ii) Share-based payments (Continued)

Shares held for share award scheme

Where the shares of the Company are acquired under the share award scheme, the consideration paid, including any directly attributable incremental costs, is presented as “shares held for share award scheme reserve” and deducted from total equity.

When the awarded shares are transferred to the awardees upon vesting, the related weighted average costs of the awarded shares vested are credited to “shares held for share award scheme reserve” and the related employment costs of the awarded shares vested are debited to the employee share-based compensation reserve. The difference between the related weighted average cost and the related employment costs of the awarded shares is transferred to accumulated losses.

Where the shares held for share award scheme are revoked and the revoked shares are disposed of, the related gain or loss from disposal of revoked shares is transferred to accumulated losses and not recognised in profit or loss.

Where cash or non-cash dividend distribution is declared in respect of the shares held for share award scheme, such cash dividend or fair value of the non-cash dividend is transferred to accumulated losses with no gain or loss recognised in profit or loss.

(s) Income tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in profit or loss except to the extent that they relate to items recognised in other comprehensive income or directly in equity, in which case the relevant amounts of tax are recognised in other comprehensive income or directly in equity, respectively.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

1 主要會計政策(續)

(r) 僱員福利(續)

(ii) 以股份為基礎支付的付款(續)

持作股份獎勵計劃的股份

根據股份獎勵計劃購入本公司的股份，包括任何直接應佔增量成本在內的已付代價呈列為「持作股份獎勵計劃之股份儲備」，並於權益總額內扣除。

倘獎勵股份於歸屬時轉撥予獲獎勵者，所歸屬的獎勵股份的相關加權平均成本自「持作股份獎勵計劃之股份儲備」扣除，而所歸屬的獎勵股份的相關僱傭成本則自僱員以股份為基礎支付補償儲備中扣除。獎勵股份的相關加權平均成本與相關僱傭成本的差額轉撥至累計虧損。

倘為持作股份獎勵計劃的股份遭撤銷，且撤銷股份已出售，出售撤銷股份的相關損益將撥入累計虧損，而不會於損益內確認。

當分派持作股份獎勵計劃股份的現金或非現金股息，現金股息或非現金股息的公平價值轉入累計虧損，不會於損益內確認。

(s) 所得稅

年內所得稅包括本期稅項及遞延稅項資產及負債的變動。本期稅項及遞延稅項資產及負債的變動均在損益內確認，惟倘與分別於其他全面收益確認或於權益直接確認的項目相關，則有關稅項金額會分別於其他全面收益確認或於權益直接確認。

本期稅項乃按年內應課稅收入根據已頒佈或在報告期末實質上已頒佈的稅率計算的預期應付稅項，以及過往年度應付稅項的任何調整。

遞延稅項資產及負債分別由可抵扣及應課稅暫時性差額產生，即資產及負債就財務呈報的賬面值與其稅項基礎的差額。遞延稅項資產亦可由未動用稅項虧損及未動用稅項抵免產生。

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1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(s) Income tax (Continued)

Apart from certain limited exceptions, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in periods into which a tax loss arising from the deferred tax asset can be carried back or forward. The same criteria are adopted when determining whether existing taxable temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilised.

The limited exceptions to recognition of deferred tax assets and liabilities are those temporary differences arising from goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit (provided they are not part of a business combination), and temporary differences relating to investments in subsidiaries to the extent that, in the case of taxable differences, the Group controls the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future, or in the case of deductible differences, unless it is probable that they will reverse in the future.

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

The carrying amount of a deferred tax asset is reviewed at the end of each reporting period and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

1 主要會計政策(續)

(s) 所得稅(續)

除了某些有限的例外情況外，所有遞延稅項負債和遞延稅項資產(只以未來可能有應課稅溢利予以抵銷的資產為限)均予以確認。支持確認由可抵扣暫時性差額所產生的遞延稅項資產的未來應課稅溢利包括因撥回目前存在的應課稅暫時性差額而產生的數額；但此等撥回的差異必須與同一稅務機關及同一應課稅實體有關，並預期在可抵扣暫時性差額預計撥回的同一期間或遞延稅項資產所產生可抵扣虧損可向後期或向前期結轉的期間內撥回。在決定目前存在的應課稅暫時性差額是否足以支持確認由未動用稅務虧損和稅務抵免所產生的遞延稅項資產時，亦會採用同一準則，即差額是否與同一稅務機關及同一應課稅實體有關，並是否預期在能夠使用未動用稅務虧損和稅務抵免撥回的同一期間內撥回。

確認為遞延稅項資產及負債的暫時性差額是產生自以下有限的例外情況：不可扣稅的商譽所產生的暫時性差額；不影響會計或應課稅溢利的資產或負債的初始確認(如屬業務合併的一部分除外)；以及投資附屬公司的暫時性差額(如屬應課稅差額，只限於本集團可以控制撥回的時間，而且在可預見的將來不大可能撥回的暫時性差額；或如屬可抵扣差額，則只限於很可能在將來撥回的差額)。

已確認的遞延稅項數額乃按照資產及負債賬面值的預期變現或清償方式，以於報告期末已頒行或實質上已頒行的稅率計算。遞延稅項資產及負債均無作折現計算。

遞延稅項資產的賬面值會在各報告期末予以審閱，若日後不再可能有足夠應課稅溢利用以抵扣相關稅項利益，則扣減遞延稅項資產賬面值。若日後可能有足夠應課稅溢利用以抵扣，則撥回所扣減的數額。

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1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(s) Income tax (Continued)

Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities, if the Company or the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

- in the case of current tax assets and liabilities, the Company or the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or
- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
 - the same taxable entity; or
 - different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

(t) Provisions and contingent liabilities

Provisions are recognised when the Group has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, a separate asset is recognised for any expected reimbursement that would be virtually certain. The amount recognised for the reimbursement is limited to the carrying amount of the provision.

1 主要會計政策(續)

(s) 所得稅(續)

即期稅項結餘和遞延稅項結餘及其變動額將各自列示，並不予抵銷。即期稅項資產只會在本公司或本集團有合法可強制執行權利時，以即期稅項資產抵銷即期稅項負債，並且符合以下附帶條件的情況下，方可分別抵銷即期稅項資產及遞延稅項負債：

- 即期稅項資產及負債：本公司或本集團計劃按淨額基準結算，或同時變現該資產及清償該負債；或
- 遞延稅項資產及負債：此等資產及負債必須與同一稅務機關就以下其中一項徵收的所得稅有關：
 - 同一應課稅實體；或
 - 不同的應課稅實體。這些實體計劃在日後每個預計有大額遞延稅項負債需要清償或大額遞延稅項資產可以收回的期間內，按淨額基準變現即期稅項資產及清償即期稅項負債，或同時變現該資產及清償該負債。

(t) 撥備及或然負債

當本集團因過往事件須承擔法定責任或推定責任，而履行該責任很可能需要付出經濟利益流出，且及有關數額能可靠之估計時確認撥備。如果貨幣之時間價值重大，則撥備會以履行責任預期所需支出之現值列報。

若不大可能需要付出經濟利益流出，或其數額未能可靠地估計，否則該項責任須披露該責任為或然負債，惟經濟利益流出之可能性極低則除外。其存在僅能以一宗或數宗未來事項之發生或不發生予以確認來證實之潛在義務責任，除非其付出經濟利益流出之可能性極低，否則亦須披露為或然負債。

倘支付撥備所需的部分或全部開支預期將由另一方償付，對於大致上可確定的任何預期償付款項，確認單獨資產。就償付款項確認的金額限於撥備的賬面值。

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1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(u) Revenue and other income

Income is classified by the Group as revenue when it arises from the sale of goods, the provision of services or the use by others of the Group's assets under leases in the ordinary course of the Group's business.

Revenue is recognised when control over a product or service is transferred to the customer, or the lessee has the right to use the asset, at the amount of promised consideration to which the Group is expected to be entitled, excluding those amounts collected on behalf of third parties. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

Further details of the Group's revenue and other income recognition policies are as follows:

(i) Sale of capital equipment and packages and management and engineering services fee income

- Sales of goods

Revenue is recognised when the customer obtains control over the products which is generally the point in time when the customer takes possession of and accepts the products. If the products are a partial fulfilment of a contract covering other goods and/or services, then the amount of revenue recognised is an appropriate proportion of the total transaction price under the contract, allocated between all the goods and services promised under the contract on a relative stand-alone selling price basis.

1 主要會計政策(續)

(u) 收益及其他收入

於本集團的日常業務過程中，本集團按其銷售貨物、提供服務或其他以租賃方式使用本集團的資產所產生的收益，均歸類為收入。

當產品或服務的控制權轉移予客戶，或承租人有權使用該資產時，按照本集團預期有權獲得的承諾代價金額確認收益，不包括代表第三方收取的該等金額。收益不包括增值稅或其他銷售稅，並扣除任何貿易折讓。

本集團的收益及其他收入確認政策之進一步詳情如下：

(i) 銷售資本設備及總包以及管理及工程服務費收入

- 銷售貨物

收益於客戶取得對產品的控制權，即通常為客戶管有並接納產品的時間點確認。倘該等產品為部分履行涵蓋其他貨物及／或服務的合約，則確認收益的金額為合約項下交易總額的合適比例，按照相對獨立售價基準根據合約協定的所有貨物及服務之間分配。

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1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(u) Revenue and other income (Continued)

(i) Sale of capital equipment and packages and management and engineering services fee income (Continued)

- *Made-to-order construction contracts*
Revenue arising from made-to-order construction contracts are recognised progressively over time, with a corresponding contract asset (see note 1(m)), if the Group's performance does not create an asset with an alternative use to the Group and the Group has the right to be paid for work done to date in case of customer cancellation before the order was fully completed. Progress is measured using the cost-to-cost method, i.e. based on the proportion of the actual costs incurred relative to the estimated total costs. The contract asset (either partially or in full) is reclassified to receivables when the entitlement to payment for that amount has become unconditional (see note 1(n)).

Otherwise, revenue is recognised at a point in time when the customers obtains control over the products, which generally is when the customer takes possession of and accepts the products.

- *Management and engineering service fee income*
Management and engineering service fee income is recognised when the related services are rendered.

(ii) Rental income from leases

- *Operating leases*
Rental income receivable under operating leases is recognised in profit or loss in equal instalments over the periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the use of the leased asset. Lease incentives granted are recognised in profit or loss as an integral part of the aggregate net lease payments receivable. Variable lease payments that do not depend on an index or a rate are recognised as income in the accounting period in which they are earned.

1 主要會計政策(續)

(u) 收益及其他收入(續)

(i) 銷售資本設備及總包以及管理及工程服務費收入(續)

- *定制建築合約*
倘本集團履約並無創造對本集團另有用途的資產，則定制建築合約產生的收益連同相應合約資產(見附註1(m))隨時間逐漸確認，且倘客戶於訂單全部完成前取消合約，本集團有權收取迄今為止完工工程的付款。進度使用成本法(即按已產生的實際成本相對於估計總成本的比例)計量。當支付該金額的權利已成為無條件時，合約資產(部分或全部)重新分類至應收款項(見附註1(n))。

否則，收益於客戶獲得產品控制權時確認，一般為客戶管有及接納產品時。

- *管理及工程服務費收入*
管理及工程服務費收入在提供相關服務時確認。

(ii) 租賃租金收入

- *經營租賃*
經營租賃項下應收租金收入於租賃期內按租期等額分期付款於損益確認，惟替代基準更能代表租賃資產使用利益模式。授予的租賃激勵在損益中確認為應收租賃款項總額的組成部分。無需視乎指數或利率的可變租賃付款於其產生的會計期間確認為收入。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in United States dollars unless otherwise indicated) (除非另有說明，以美元表示)

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(u) Revenue and other income (Continued)

(ii) Rental income from leases (Continued)

- Finance leases

At the commencement of the lease term, the Group recognises the minimum lease payments receivable as a finance lease receivable. The difference between (a) the aggregate of the minimum lease payments and the unguaranteed residual value and (b) their present value (presented in the consolidated statement of financial position as lease receivables) is recognised as unearned finance income. Minimum lease payments are the payments over the lease term that the lessee is or can be required to make plus any residual value guaranteed to the lessor by the lessee, or a party unrelated to the lessor.

Unearned finance income is allocated to each period during the lease term using the effective interest method that allocates each rental between finance income and repayment of capital in each accounting period in such a way that finance income is recognised as a constant periodic rate of return (implicit effective interest rate) on the lessor's net investment in the lease.

(iii) Dividends

Dividend income from listed investments is recognised when the share price of the investment goes ex-dividend.

Dividend income from unlisted investments is recognised when the shareholder's right to receive payment is established.

1 主要會計政策(續)

(u) 收益及其他收入(續)

(ii) 租賃租金收入(續)

- 融資租賃

於租賃期開始時，本集團確認最低應收租賃付款為融資租賃應收款。(a)最低租賃付款及未擔保餘值之總和與(b)其現值(於綜合財務狀況表中呈列為租賃應收款)之間的差額確認為未賺取融資收入。最低租賃付款是指於租賃期承租人須或可能須作出的付款另加承租人或與出租人無關的一方對出租人所作出擔保的任何餘值。

未賺取融資收入於租賃期內採用實際利息法分配予各個期間，即於各個會計期間將各項租金在融資收入與資本償還之間予以分配，致使按固定定期回報率(隱含實際利率)於租賃的出租人淨投資中確認融資收入。

(iii) 股息

上市投資之股息收入於該投資之股份價格除息時確認。

非上市投資之股息收入於股東收取款項的權利確立時確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in United States dollars unless otherwise indicated) (除非另有說明，以美元表示)

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(u) Revenue and other income (Continued)

(iv) Interest income

Interest income is recognised as it accrues under the effective interest method using the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset. For financial assets measured at amortised cost or FVOCI (recycling) that are not credit-impaired, the effective interest rate is applied to the gross carrying amount of the asset. For credit-impaired financial assets, the effective interest rate is applied to the amortised cost (i.e. gross carrying amount net of loss allowance) of the asset (see note 1(k)(i)).

(v) Government grants

Government grants are recognised in the statement of financial position initially when there is reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them. Grants that compensate the Group for expenses incurred are recognised as income in profit or loss on a systematic basis in the same periods in which the expenses are incurred.

(v) Translation of foreign currencies

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognised in profit or loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. The transaction date is the date on which the Group initially recognises such non-monetary assets or liabilities. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the foreign exchange rates ruling at the dates the fair value was measured.

1 主要會計政策(續)

(u) 收益及其他收入(續)

(iv) 利息收入

利息收入在其應計時根據實際利息法，按將金融資產預計年期的估計未來現金收入準確貼現至金融資產的賬面總值的貼現率而確認。就按攤銷成本或按公平價值計入其他全面收益(劃轉)計量且並無信貸減值的金融資產而言，實際利率適用於資產的賬面總值。就信貸減值的金融資產而言，實際利率適用於資產的攤銷成本(即賬面總值減虧損撥備)(見附註1(k)(i))。

(v) 政府補助

政府補助將於收到合理保證及本集團將符合附帶條件時，初步於財務狀況表確認。補償本集團所產生開支的補助，於產生開支的相同期間按系統基準在損益內確認為收入。

(v) 外幣換算

年內外幣交易按交易日期之外匯匯率換算。以外幣計值之貨幣資產及負債按報告期末之外匯匯率換算。匯兌收益及虧損於損益確認。

以外幣按歷史成本計量之非貨幣資產及負債乃採用交易日期之外匯匯率換算。交易日期為本集團首次確認有關非貨幣資產或負債之日。以外幣計值的非貨幣資產及負債按公平價值列賬，並按公平價值釐定日期適用的外匯匯率換算。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in United States dollars unless otherwise indicated) (除非另有說明，以美元表示)

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(v) Translation of foreign currencies (Continued)

The results of the foreign operations are translated into United States dollars at the exchange rates approximating the foreign exchange rates ruling at the dates of the transactions. Statement of financial position items are translated into United States dollars at the closing exchange rates at the end of the reporting period. The resulting exchange differences are recognised in other comprehensive income and accumulated separately in equity in the exchange reserve.

On disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation is reclassified from equity to profit or loss when the profit or loss on disposal is recognised.

(w) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or complete.

1 主要會計政策(續)

(v) 外幣換算(續)

海外業務業績按與交易日期之外匯匯率相若之匯率換算為美元。財務狀況表項目按報告期末之收市匯率換算為美元。所產生之匯兌差額於其他全面收益確認，並於匯兌儲備之權益中單獨累計。

於出售海外業務時，與該海外業務有關的累計匯兌差額會於確認出售溢利或虧損時從權益重新分類至損益。

(w) 借款成本

直接用作收購、建設或生產而需要相當長時間才可以投入擬定用途或銷售的資產的借款成本被予以資本化，作為該資產的成本部分。其他借款成本均在產生的期間內列支。

屬於合資格資產成本一部分之借款成本在資產產生開支、借款成本產生和使資產投入擬定用途或銷售所必須的準備工作進行期間開始資本化。在使合資格資產投入擬定用途或銷售所必須的絕大部分準備工作中止或完成時，借款成本便會暫停或不再資本化。

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綜合財務報表附註

(Expressed in United States dollars unless otherwise indicated) (除非另有說明，以美元表示)

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(x) Non-current assets held for sale

A non-current asset (or disposal group) is classified as held for sale if it is highly probable that its carrying amount will be recovered through a sale transaction rather than through continuing use and the asset (or disposal group) is available for sale in its present condition. A disposal group is a group of assets to be disposed of together as a group in a single transaction, and liabilities directly associated with those assets that will be transferred in the transaction.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all the assets and liabilities of that subsidiary are classified as held for sale when the above criteria for classification as held for sale are met, regardless of whether the Group will retain a non-controlling interest in the subsidiary after the sale.

Immediately before classification as held for sale, the measurement of the non-current assets (and all individual assets and liabilities in a disposal group) is brought up-to-date in accordance with the accounting policies before the classification. Then, on initial classification as held for sale and until disposal, the non-current assets (except for certain assets as explained below), or disposal groups, are recognised at the lower of their carrying amount and fair value less costs to sell. The principal exceptions to this measurement policy so far as the financial statements of the Group and the Company are concerned are deferred tax assets and financial assets (other than investments in subsidiaries, associates and joint ventures). These assets, even if held for sale, would continue to be measured in accordance with the policies set out elsewhere in note 1.

Impairment losses on initial classification as held for sale, and on subsequent remeasurement while held for sale, are recognised in profit or loss. As long as a non-current asset is classified as held for sale, or is included in a disposal group that is classified as held for sale, the non-current asset is not depreciated or amortised.

1 主要會計政策(續)

(x) 持作出售的非流動資產

如非流動資產(或出售組合)之賬面值很可能透過銷售交易而非持續使用中將收回之數額，該資產(或出售組合)按現況中分類為持作出售。出售組合指於同一交易中一併售出一組資產，而與該等資產直接相關之負債則會轉移至交易中。

當本集團承諾進行出售一間附屬公司控制權之出售計劃時，不論本集團是否將於出售後保留該附屬公司之非控股權益，該附屬公司的所有資產及負債於符合上述有關分類為持作出售之條件時會分類為持作出售。

緊接分類為持作出售前，非流動資產(及出售組合之所有個別資產及負債)按分類前之會計政策計量。持作出售資產初始分類為持作出售類別及至出售時，非流動資產(以下所述之若干資產除外)，或出售組合以其賬面值及公平價值扣除出售成本之較低者確認。在本集團及本公司之財務報表中並無使用此計量政策之主要項目包括遞延稅項資產及金融資產(於附屬公司、聯營公司及合營公司之投資除外)。該等資產即使持作出售，亦會繼續按附註1其他地方載列之政策計量。

初始分類為持作出售和其後在持作出售時重新計量而產生的減值虧損均在損益中確認。只要非流動資產一直分類為持作出售或包括在已分類為持作出售的出售組合內，該非流動資產便不會計提折舊或攤銷。

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綜合財務報表附註

(Expressed in United States dollars unless otherwise indicated) (除非另有說明，以美元表示)

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(y) Related parties

- (1) A person, or a close member of that person's family, is related to the Group if that person:
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or the Group's parent.
- (2) An entity is related to the Group if any of the following conditions applies:
 - (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.

1 主要會計政策(續)

(y) 關連人士

- (1) 在下列情況下，一名人士或該名人士之近親會與本集團有關連：
 - (i) 對本集團有控制權或共同控制權；
 - (ii) 對本集團有重大影響力；或
 - (iii) 該名人士為本集團或本集團母公司之主要管理層成員。
- (2) 僅在以下任何情況適用下，實體與本集團有關連：
 - (i) 實體與本集團為同一集團之成員(即各母公司、附屬公司及同系附屬公司均互相有關連)。
 - (ii) 一實體為另一實體之聯營公司或合營公司(或另一實體所屬集團成員公司之聯營公司或合營公司)。
 - (iii) 兩實體均為同一第三方之合營公司。
 - (iv) 一實體為第三方實體之合營公司，而另一實體為該第三方實體之聯營公司。
 - (v) 該實體作為為本集團或與本集團有關連之實體之僱員利益而設之離職後福利計劃。

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綜合財務報表附註

(Expressed in United States dollars unless otherwise indicated) (除非另有說明，以美元表示)

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(y) Related parties (Continued)

(2) (Continued)

- (vi) The entity is controlled or jointly controlled by a person identified in (1).
- (vii) A person identified in (1)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

(z) Segment reporting

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

1 主要會計政策(續)

(y) 關連人士(續)

(2) (續)

- (vi) 該實體受(1)所述之人士控制或共同控制。
- (vii) (1)(i)所述之人士對該實體有重大影響力，或為該實體(或該實體之母公司)之主要管理層成員。
- (viii) 實體或其構成一部分的集團的任何成員公司，對本集團或本集團母公司提供主要管理層人員服務。

一名人士之近親為預期在彼等與實體進行交易時可能影響該人士或受該人士影響之家庭成員。

(z) 分部呈報

本集團最高層管理人員定期取得用以對本集團各項業務及經營地域進行資源分配及評估表現的財務資料，而經營分部和財務報表所呈報各分部項目的數額會從中確定。

個別重大的經營分部不會合計以供財務報告用途，除非該等經營分部的產品和服務性質、生產工序性質、客戶類別或階層、分銷產品或提供服務所使用的方法以及監管環境的性質等經濟特性均屬類似，則作別論。個別不重大的經營分部如果符合以上大部分標準，則可以合計為一個報告分部。

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(Expressed in United States dollars unless otherwise indicated) (除非另有說明，以美元表示)

2 ACCOUNTING JUDGEMENTS AND ESTIMATES

Judgements and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Note 29 contains information about the assumptions and their risk factors relating to fair value of financial instruments. Other key sources of estimation uncertainty are as follows:

(a) Impairment losses on trade debtors and bills receivables and lease receivables

Loss allowances for trade debtors and bills receivables and lease receivables are always measured at an amount equal to lifetime ECLs, which are estimated in accordance with the Group's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both the current and forecast general economic conditions at the reporting date. The estimation of ECLs requires the use of judgement and estimates, where the expectation is different from the original estimates, such difference will impact carrying value of trade debtors and bills receivables and lease receivables and impairment losses in the period in which such estimate has been changed.

(b) Other impairment losses

If circumstances indicate that the carrying value of property, plant and equipment, investment properties, intangible assets and interest in joint venture may not be recoverable, these assets may be considered impaired, and an impairment loss may be recognised in accordance with HKAS 36, *Impairment of assets*. The carrying amounts of these assets are reviewed periodically in order to assess whether the recoverable amounts have declined below the carrying amounts. These assets are tested for impairment whenever events or changes in circumstances indicate that their recorded carrying amount may not be recoverable. When such a decline has occurred, the carrying amount is reduced to recoverable amount. The recoverable amount is the greater of the fair value less costs of disposal and the value in use. It is difficult to estimate precisely fair value less costs of disposal because quoted market prices for the Group's assets (except for investment properties) are not readily available. In determining the value in use, expected cash flows generated by the assets are discounted to their present value, which requires significant judgement relating to revenue and amount of operating costs. The Group uses all readily available information in determining an amount that is a reasonable approximation of recoverable amount, including estimates based on reasonable and supportable assumptions and projections of revenue and amount of operating costs.

The recoverable amount of investment properties are assessed with reference to the fair value less cost of disposals, in which the fair value was estimated as disclosed in note 10(b).

2 會計判斷及估計

本集團持續評估及根據過往經驗及其他因素(包括預期在若干情況下合理出現的日後事項)作出判斷及估計。

附註29載有有關金融工具公平價值之假設及其風險因素之資料。其他估計不確定因素主要來源如下：

(a) 貿易應收賬款及應收票據以及租賃應收款的減值虧損

貿易應收賬款及應收票據以及租賃應收款之虧損撥備一直按等同於全期預期信貸虧損的金額計量，而該等預期信貸虧損乃根據本集團的歷史信貸虧損經驗進行估計，並根據於報告日期債務人的特定因素及對當前及預計一般經濟狀況的評估進行調整。估計預期信貸虧損需要使用判斷及估計，當預期情況與原定估計有差別時，該差別將影響改變有關估計之期間之貿易應收賬款及應收票據以及租賃應收款項賬面值及減值虧損。

(b) 其他減值虧損

倘情況顯示物業、廠房及設備、投資物業、無形資產及於合營公司的權益的賬面值可能無法收回時，該等資產會被視為減值，而減值虧損可按香港會計準則第36號資產減值予以確認。該等資產的賬面值會定期審閱，以評估可收回金額是否已降至低於賬面值。當有事件或變動顯示該等資產所記錄的賬面值可能無法收回時，該等資產會進行減值測試。當出現減值時，賬面值會減至可收回金額。可收回金額為公平價值減出售成本及使用價值的較高者。由於並未取得本集團資產(投資物業除外)的市場報價，因此難於準確估計公平價值減出售成本。於釐定使用價值時，資產產生的預期現金流按其現值貼現，而此需要就收益及營運成本金額作出重大判斷。本集團利用所有現有資料釐定可收回金額的合理概約金額，包括基於收益及營運成本金額的合理及有支持的假設與預測而作出估計。

投資物業的可收回金額經參考公平價值減出售成本後進行評估，而公平價值估計乃於附註10(b)披露。

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(Expressed in United States dollars unless otherwise indicated) (除非另有說明，以美元表示)

2 ACCOUNTING JUDGEMENTS AND ESTIMATES

(Continued)

(c) Net realisable value of inventories

The Group recognises write-down on inventories based on an assessment of the net realisable value of the inventories. Write-down is applied to the inventories where events or changes in circumstances indicate that the net realisable value is less than cost. The determination of net realisable value requires the use of judgement and estimates. Where the expectation is different from the original estimates, such difference will impact carrying value of the inventories and write-down on inventories charged to profit or loss in the period in which such estimate has been changed.

(d) Made-to-order construction contracts

As explained in the accounting policy note 1(u)(i), revenue in respect of made-to-order construction contracts is recognised over time or at a point in time depending on a number of considerations including whether the Group's performance creates an asset with an alternative use to the Group and whether the Group has a right to payment for performance completed to date in case of customer cancellation. Making such determination involves judgement about the nature of the assets created, enforceability of contract terms, and level of margin that is regarded as sufficiently reasonable given the circumstances of a particular contract.

In addition, revenue and profit recognition is dependent on estimating the total outcome of the contract, as well as the work done to date. Based on the Group's recent experience and the nature of the activity undertaken by the Group, the Group makes estimates of the point at which it considers the work is sufficiently advanced such that the costs to complete and revenue can be reliably estimated. Based on the latest information available in respect of the market environment, the Group prepares budgets for contracts individually and the budget, which is used in the Group's financial reporting, is reviewed regularly. Onerous contracts are provided for when identified. Material adjustments to the budgeted costs may occur in future if there is a significant change in the market environment.

2 會計判斷及估計(續)

(c) 存貨的可變現淨值

本集團藉著評估存貨的可變現淨值確認撇減存貨。當出現顯示可變現淨值較成本為低的事件或變動情況時，將就存貨作出撇減。釐定可變現淨值時涉及判斷及估計。倘預期情況與原本估計不同，有關差額將於對該等估計變動的期間內影響存貨的賬面值及自損益中扣除的撇減存貨。

(d) 定制工程合約

誠如會計政策附註1(u)(i)所解釋，有關定制工程合約的收益隨時間確認或在考慮多項因素後於某個時間點確認，有關因素包括本集團的業績是否增設一項對本集團有替代用途的資產及本集團在客戶取消的情況下是否有權利就迄今已完成的工作取得付款。作出該等決定涉及判斷所設資產的性質、合約條款的可執行性及根據具體合約的情形被視為足夠合理的利潤率水平。

此外，收益及溢利確認依靠估計合約之總結果及迄今已完成的工作。根據本集團的近期經驗及本集團所進行活動的性質，本集團作出估計時，乃基於工作進度已達充分程度，致使完成之成本及收益能可靠預計。本集團根據最新可得之市場環境資料，為合約逐個編製預算，而該預算用於本集團的財務呈報，並定期進行審閱。虧損性合約於獲識別時計提撥備。倘市場環境發生重大變動，預算成本或會作出重大調整。

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(Expressed in United States dollars unless otherwise indicated) (除非另有說明，以美元表示)

3 REVENUE AND SEGMENT REPORTING

(a) Revenue

The principal activities of the Group are the design, manufacturing, installation and commissioning of capital equipment and packages on land and offshore rigs; sales of oilfield expendables and supplies and the provision of management, engineering services, leasing of drilling rigs and capital equipment.

(i) Disaggregation of revenue

Except for gain on sub-leasing of drilling rigs classified as finance leases of \$963,000 (2020: \$1,061,000), interest income from sub-leasing of drilling rigs classified as finance leases of \$646,000 (2020: \$1,102,000), sales of capital equipment of \$Nil (2020: \$1,181,000) through finance lease as a manufacturer lessor and rental income of \$3,351,000 (2020: \$738,000) arising from leases of capital equipment classified as operating leases, all of the remaining revenue of \$52,067,000 (2020: \$61,800,000) for the year ended 31 December 2021 is recognised in accordance with HKFRS 15.

Disaggregation of revenue from contracts with customers by major products or service lines is as follows:

	2021 二零二一年	2020 二零二零年 (Restated) (經重列) (Note (1)) (附註(1))
	US\$'000 千美元	US\$'000 千美元
Sales of capital equipment and packages	24,271	41,092
Sales of oilfield expendables and supplies	21,034	17,413
Management and engineering service fee income	6,762	4,476
Rental income arising from leases of capital equipment classified as operating leases (note (1))	3,351	738
Gain on sub-leasing of drilling rigs classified as finance leases	963	1,061
Interest income from sub-leasing of drilling rigs classified as finance leases	646	1,102
	57,027	65,882

Note (1): For the year ended 31 December 2021, the Group has recorded as "Revenue" instead of "Other Revenue" for rental income arising from leases of capital equipment classified as operating leases as it is regarded as a principal activity due to its increasing importance to the Group. Accordingly, the comparative information of the rental income and related costs are restated to conform with the current year's presentation.

3 收益及分部報告

(a) 收益

本集團主要業務為設計、製造、安裝及調試資本設備及總包陸地及海洋鑽井平台及銷售油田耗材以及物料以及提供管理、工程服務、鑽井平台及資本設備租賃。

(i) 收益分拆

除分類為融資租賃的鑽井平台分租收益963,000元(二零二零年:1,061,000元)、分類為融資租賃的鑽井平台分租利息收入646,000元(二零二零年:1,102,000元)、作為製造商出租人通過融資租賃進行的資本設備銷售零元(二零二零年:1,181,000元)及租賃分類為經營租賃的資本設備產生的租金收入3,351,000元(二零二零年:738,000元)外，截至二零二一年十二月三十一日止年度之所有剩餘收益52,067,000元(二零二零年:61,800,000元)按照香港財務報告準則第15號確認。

客戶合約收益按主要產品或服務線之分拆如下：

	2021 二零二一年	2020 二零二零年 (Restated) (經重列) (Note (1)) (附註(1))
	US\$'000 千美元	US\$'000 千美元
Sales of capital equipment and packages	24,271	41,092
Sales of oilfield expendables and supplies	21,034	17,413
Management and engineering service fee income	6,762	4,476
Rental income arising from leases of capital equipment classified as operating leases (note (1))	3,351	738
Gain on sub-leasing of drilling rigs classified as finance leases	963	1,061
Interest income from sub-leasing of drilling rigs classified as finance leases	646	1,102
	57,027	65,882

附註(1)：截至二零二一年十二月三十一日止年度，本集團已就租賃分類為經營租賃的資本設備產生的租金收入錄得「收益」而非「其他收益」，乃由於該業務因其對本集團的重要性不斷增加而被視為一項主要業務。因此，租金收入及相關成本的比較資料經已重列，以符合本年度的呈報方式。

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(Expressed in United States dollars unless otherwise indicated) (除非另有說明，以美元表示)

3 REVENUE AND SEGMENT REPORTING (Continued)

(a) Revenue (Continued)

(i) Disaggregation of revenue (Continued)

Disaggregation of revenue from contracts with customers by geographic markets is disclosed in note 3(b)(iii).

The Group's customer base includes one customer (2020: four) with whom transactions have exceeded 10% of the Group's revenue. In 2021, revenue from this customer, amounted to approximately \$9,557,000 (2020: \$30,477,000). Details of concentration of credit risks arising from customers are set out in note 29(a).

(ii) Revenue expected to be recognised in the future arising from contracts with customers in existence at the reporting date

As at 31 December 2021, the aggregated amount of the transaction price related to the remaining performance obligations under the Group's existing contracts is \$17,937,000 (2020: \$10,472,000). This amount represents revenue expected to be recognised in the future from pre-completion sales contracts entered into by the customers with the Group. The Group will recognise the expected revenue in future when or as the work is completed, which is expected to occur within the next 12 to 24 months.

The Group has applied the practical expedient in paragraph 121(a) of HKFRS 15 to its contracts for sales of capital equipment and expendables and supplies, such that the above information does not include information about revenue that the Group will be entitled to when it satisfies the remaining performance obligations under the contracts for sales of capital equipment and expendables and supplies that had an original expected duration of one year or less.

The Group has also applied the practical expedient in paragraph 121(b) of HKFRS 15 to its provision of management and engineering services as the Group recognises revenue when the services are provided that correspond directly with the value of performance completed. Hence the above information does not include the contracts related to provision of management and engineering services.

3 收益及分部報告(續)

(a) 收益(續)

(i) 收益分析(續)

客戶合約收益按地區市場之分拆於附註3(b)(iii)披露。

本集團的客戶群中有一名(二零二零年：四名)客戶交易金額超過本集團收益的10%。在二零二一年，來自該客戶的收益約為9,557,000元(二零二零年：30,477,000元)。客戶產生的信貸風險集中詳情載於附註29(a)。

(ii) 預期將於日後確認的於報告日期之客戶合約收益

於二零二一年十二月三十一日，本集團現有合約項下剩餘履約義務的交易價格總額為17,937,000元(二零二零年：10,472,000元)。該金額指預期將於日後確認的有關客戶與本集團訂立的預售合約收益。本集團將於日後工程竣工時確認預期收益(預計將於未來12至24個月內發生)。

本集團已將香港財務報告準則第15號第121(a)段所載可行權宜之計應用於資本設備及耗材及物料銷售合約，因此，上述資料不包括本集團在履行有關原始預計期間為一年或更短之資本設備及耗材及物料銷售合約項下剩餘履約義務時有權獲取的收益資料。

本集團亦已就提供管理及工程服務應用香港財務報告準則第15號第121(b)段中的可行權宜方法，乃由於當所提供服務與已完成工作的價值直接相關時，本集團確認收益。故此，上述資料並不包括有關提供管理及工程服務的合約。

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3 REVENUE AND SEGMENT REPORTING (Continued)

(b) Segment reporting

The Group manages its business by divisions, which are organised by a mixture of both business lines (products and services) and geography. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has presented the following three reportable segments. No operating segments have been aggregated to form the following reportable segments.

- Capital equipment and packages: the design, manufacturing, installation and commissioning of capital equipment and packages on land and offshore rigs, and leasing of capital equipment manufactured by the Group
- Oilfield expendables and supplies: the manufacturing and trading of oilfield expendables and supplies
- Management and engineering services: the provision of management, engineering services and leasing of drilling rigs

(i) Segment results, assets and liabilities

For the purposes of assessing segment performance and allocating resources between segments, the Group's senior executive management monitors the results, assets and liabilities attributable to each reportable segment on the following bases:

Segment assets include all tangible assets, intangible assets and current assets with the exception of interest in associates and joint venture, other financial assets, cash and cash equivalents, pledged bank deposits and time deposits, tax balances and other unallocated head office and corporate assets. Segment liabilities include trade and other payables, lease liabilities and provisions attributable to the activities of the individual segment, with the exception of tax balances and other unallocated head office and corporate liabilities.

3 收益及分部報告(續)

(b) 分部報告

本集團按不同分部劃分管理其業務，該等分部乃按業務線(產品和服務)以及地區劃分。以與就資源分配及表現評估向本集團最高級行政管理人員內部呈報資料方式一致的方式，本集團呈列以下三個呈報分部。並無將任何經營分部合計以構成以下的呈報分部。

- 資本設備及總包：設計、製造、安裝及調試資本設備及總包陸地及海洋鑽井平台以及租賃本集團製造的資本設備
- 油田耗材及物料：製造及買賣油田耗材及物料
- 管理及工程服務：提供管理、工程服務及鑽井平台租賃

(i) 分部業績、資產及負債

就評估分部表現及於分部間分配資源而言，本集團高級行政管理人員按以下基礎監控各報告分部應佔的業績、資產及負債：

分部資產包括所有有形資產、無形資產及流動資產，而於聯營公司及合營公司的權益、其他金融資產、現金及現金等值物、已抵押銀行存款及定期存款、稅項結餘及其他未分配的總辦事處及公司資產除外。分部負債包括貿易應付及其他應付款項、租賃負債及個別分部的活動應佔的撥備，而稅項結餘及其他未分配的總辦事處及公司負債除外。

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3 REVENUE AND SEGMENT REPORTING (Continued)

(b) Segment reporting (Continued)

(i) Segment results, assets and liabilities (Continued)

Revenue and expenses are allocated to the reportable segments with reference to revenue generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments.

The measure used for reporting segment profit/loss is “segment results” i.e. “adjusted earnings before finance costs and taxes” of individual segment. To arrive at segment results, the Group’s earnings are further adjusted for finance costs and items not specifically attributed to individual segment, such as share of results of associates and joint venture and other head office or corporate income and expenses.

In addition to receiving segment information concerning segment results, management is provided with segment information concerning revenue (including inter-segment revenue), depreciation and amortisation, impairment losses and additions to property, plant and equipment used by the segments in their operations. Inter-segment revenue is priced with reference to prices charged to external parties for similar orders.

3 收益及分部報告(續)

(b) 分部報告(續)

(i) 分部業績、資產及負債(續)

收益及支出乃經參考該等分部產生的收益及支出或該等分部應佔的資產的折舊或攤銷所產生的支出分配至呈報分部。

用於計量報告分部溢利／虧損的方法為「分部業績」，即個別分部「扣除財務成本及稅項前的經調整盈利」。為達致分部業績，本集團的盈利乃對財務成本及並非指定屬於個別分部的項目作出進一步調整，如分佔聯營公司及合營公司業績以及其他總辦事處或公司收入及開支。

除收到有關分部業績的分部資料外，管理層獲提供有關收益(包括分部間收益)，分類於彼等營運中使用的物業、廠房及設備的折舊及攤銷、減值虧損以及添置的分部資料。分部間收益之價格乃參考就類似訂單向外部人士收取之價格釐定。

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3 REVENUE AND SEGMENT REPORTING (Continued)

(b) Segment reporting (Continued)

(i) Segment results, assets and liabilities (Continued)

Information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the years ended 31 December 2021 and 2020 is set out below.

3 收益及分部報告(續)

(b) 分部報告(續)

(i) 分部業績、資產及負債(續)

就截至二零二一年及二零二零年十二月三十一日止年度的資源分配及評估分部表現向本集團最高級行政管理人員提供有關本集團呈報分部的資料載於下表。

		Capital equipment and packages 資本設備及總包		Oilfield expendables and supplies 油田耗材及物料		Management and engineering services 管理及工程服務		Total 總計	
		2021 二零二一年	2020 二零二零年 (Restated) (經重列) (Note 3(a)(i)(1)) (附註3(a)(i)(1))	2021 二零二一年	2020 二零二零年	2021 二零二一年	2020 二零二零年	2021 二零二一年	2020 二零二零年 (Restated) (經重列) (Note 3(a)(i)(1)) (附註3(a)(i)(1))
		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	US\$'000 千美元	US\$'000 千美元
Revenue from external customers	來自外部客戶收益	27,622	41,830	21,034	17,413	8,371	6,639	57,027	65,882
Inter-segment revenue	分部間收益	1,430	260	274	295	494	599	2,198	1,154
Reportable segment revenue	呈報分部收益	29,052	42,090	21,308	17,708	8,865	7,238	59,225	67,036
Reportable segment results	呈報分部業績	7,231	14,172	11,691	(5,083)	1,516	3,124	20,438	12,213
Depreciation and amortisation for the year	年內折舊及攤銷	2,762	2,436	552	1,288	428	183	3,742	3,907
Impairment losses on property, plant and equipment	物業、廠房及設備減值虧損	-	1,276	-	447	-	-	-	1,723
Reportable segment assets	呈報分部資產	79,281	72,130	44,044	57,064	22,928	28,836	146,253	158,030
Additions to property, plant and equipment during the year	年內添置物業、廠房及設備	7,305	1,040	226	78	691	857	8,222	1,975
Reportable segment liabilities	呈報分部負債	(33,588)	(32,663)	(20,888)	(28,558)	(20,188)	(27,191)	(74,664)	(88,412)

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3 REVENUE AND SEGMENT REPORTING (Continued)

(b) Segment reporting (Continued)

(ii) Reconciliation of reportable segment revenue, results, assets and liabilities

3 收益及分部報告(續)

(b) 分部報告(續)

(ii) 呈報分部收益、業績、資產及負債之對賬

		2021 二零二一年	2020 二零二零年 (Restated) (經重列) (Note 3(a)(i)(1)) (附註3(a)(i)(1))
		US\$'000 千美元	US\$'000 千美元
Revenue	收益		
Reportable segment revenue	呈報分部收益	59,225	67,036
Elimination of inter-segment revenue	對銷分部間收益	(2,198)	(1,154)
Consolidated revenue (note 3(a))	綜合收益(附註3(a))	57,027	65,882
Results	業績		
Segment results	分部業績	20,438	12,213
Finance costs	財務成本	(489)	(660)
Share of profits less losses of associates	分佔聯營公司溢利減虧損	255	18
Share of profit of joint venture	分佔合營公司溢利	1,370	1,216
Unallocated head office and corporate income and expenses	未分配總辦事處及公司收入及開支	(5,834)	(2,906)
Consolidated profit before taxation	除稅前綜合溢利	15,740	9,881
Assets	資產		
Reportable segment assets	呈報分部資產	146,253	158,030
Interest in associates	於聯營公司之權益	1,165	346
Interest in joint venture	於合營公司之權益	43,123	40,727
Other financial assets	其他金融資產	345	233
Cash and cash equivalents	現金及現金等值物	33,511	22,424
Pledged bank deposits and time deposits	已抵押銀行存款及定期存款	1,851	4,187
Deferred tax assets	遞延稅項資產	964	2,540
Tax recoverable	可收回稅項	146	435
Unallocated head office and corporate assets	未分配總辦事處及公司資產	2,539	1,008
Consolidated total assets	綜合資產總值	229,897	229,930
Liabilities	負債		
Reportable segment liabilities	呈報分部負債	(74,664)	(88,412)
Tax payable	應付稅項	(3,289)	(3,376)
Unallocated head office and corporate liabilities	未分配總辦事處及公司負債	(3,366)	(2,858)
Consolidated total liabilities	綜合負債總額	(81,319)	(94,646)

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(Expressed in United States dollars unless otherwise indicated) (除非另有說明，以美元表示)

3 REVENUE AND SEGMENT REPORTING (Continued)

(b) Segment reporting (Continued)

(iii) Geographic information

The following table sets out information about the geographical locations of (i) the Group's revenue from external customers and (ii) the Group's property, plant and equipment, investment properties, intangible assets, interest in associates, interest in joint venture, other financial asset and non-current portion of prepayments ("specified non-current assets"). The geographical location of customers is based on the location of the customers. The geographical location of the specified non-current assets is based on the physical location of the asset, in the case of property, plant and equipment and investment properties, the location of the operation to which they are allocated, in the case of intangible assets, and the location of operations, in the case of interest in associates and joint venture, other financial assets and non-current portion of prepayments.

3 收益及分部報告(續)

(b) 分部報告(續)

(iii) 地區資料

下表列出關於(i)本集團來自外部客戶收益，及(ii)本集團的物業、廠房及設備、投資物業、無形資產、於聯營公司及合營公司的權益、其他金融資產及非即期部分之預付款(「指定非流動資產」)的地理位置的資料。客戶的地理位置以客戶所在位置為基準。指定非流動資產的地理位置以資產的實物位置為基礎(就物業、廠房及設備及投資物業而言)、以所分配的營運地點為基礎(就無形資產而言)及以業務地點為基礎(就於聯營公司及合營公司的權益、其他金融資產及預付款之非即期部分而言)。

		Revenue from external customers 來自外部客戶收益		Specified non-current assets 指定非流動資產	
		2021 二零二一年	2020 二零二零年 (Restated) (經重列) (Note 3(a)(i)(1)) (附註3(a)(i)(1))	2021 二零二一年	2020 二零二零年
		US\$'000 千美元	US\$'000 千美元	US\$'000 千美元	US\$'000 千美元
Hong Kong Special Administrative Region	香港特別行政區	26	21	902	756
Mainland China	中國內地	31,049	34,334	25,783	20,106
North America	北美	3,422	5,240	497	1,316
South America	南美	18,287	19,036	163	24
Europe	歐洲	178	842	102	144
Singapore	新加坡	736	2,609	503	692
Indonesia	印度尼西亞	47	629	-	-
Middle East	中東	1,469	1,206	43,125	40,727
Others	其他	1,813	1,965	3	-
		57,027	65,882	71,078	63,765

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4 OTHER REVENUE AND NET INCOME

4 其他收益及淨收入

		2021 二零二一年	2020 二零二零年 (Restated) (經重列) (Note 3(a)(i)(1)) (附註3(a)(i)(1))
		US\$'000 千美元	US\$'000 千美元
Interest income	利息收入	851	1,034
Finance income from lease receivables	租賃應收款財務收入	1,353	562
Rental income	租金收入	595	891
Net foreign exchange (loss)/gain	匯兌(虧損)/收益淨額	(1,109)	1,632
Government grant (note)	政府補助(附註)	1,118	1,604
Reversal of accruals in connection with settlement of sale and purchase contracts (note 5(d))	撥回有關結算買賣合約之應計款項(附註5(d))	996	-
Others	其他	919	197
		4,723	5,920

Note: Government grant for the year ended 31 December 2021 mainly includes subsidy income received from the municipal and provincial governments in the Mainland China to incentivise the enterprises to improve their technology and create more value to the industry in which the Group operates.

During the year ended 31 December 2020, the Group successfully applied for funding support from the Employment Support Scheme under the Anti-epidemic Fund, set up by the HKSAR Government. The purpose of the funding was to provide financial support to enterprises to retain their employees who would otherwise be made redundant. Under the terms of the grant, the Group was required not to make redundancies during the subsidy period and to spend all the funding on paying wages to the employees. In addition, a subsidiary based in United States of America also successfully applied for a loan forgiveness from the Paycheck Protection Plan, set up by the U.S. Government, of which not less than 75% of the principal amount was utilised for staff costs.

附註：截至二零二一年十二月三十一日止年度的政府補助主要包括自中國內地的省市政府收取的補貼收入，以激勵企業改進技術並為本集團經營所在的行業創造更多價值。

截至二零二零年十二月三十一日止年度，本集團已成功從香港特別行政區政府設立的抗疫基金項下的保就業計劃中申請資助。該資金的目的乃為企業提供財務支持，以挽留可能被裁員的員工。根據補助的條款，本集團被要求在補貼期間不得進行裁員，並將所有資金用於支付員工工資。此外，一家美國附屬公司亦成功自美國政府設立的薪資保障計劃申請貸款豁免，其中不少於75%之本金額用作僱員成本。

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5 PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging/(crediting):

5 除稅前溢利

除稅前溢利經扣除／(計入)下列各項：

		2021 二零二一年 US\$'000 千美元	2020 二零二零年 US\$'000 千美元
(a) Finance costs	(a) 財務成本		
Interest on bank loans	銀行貸款利息	-	171
Interest on lease liabilities	租賃負債利息	1,515	1,554
		1,515	1,725
Less: Interest on lease liabilities relating to sub-leasing of drilling rigs included in costs of sales	減：計入銷售成本的與分租鑽井平台有關的租賃負債利息	(1,026)	(1,065)
		489	660
		2021 二零二一年 US\$'000 千美元	2020 二零二零年 US\$'000 千美元
(b) Staff costs	(b) 僱員成本		
Contributions to defined contribution retirement plans	向定額供款退休計劃作出的供款	1,708	1,420
Salaries, wages and other benefits	薪金、工資及其他福利	15,609	14,780
Equity-settled share-based payment (note 27)	以權益結算以股份為基礎之付款(附註27)	400	-
		17,717	16,200

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5 PROFIT BEFORE TAXATION (Continued)

5 除稅前溢利(續)

		2021 二零二一年 US\$'000 千美元	2020 二零二零年 US\$'000 千美元
(c) Other items	(c) 其他項目		
Depreciation charge (note 10)	折舊費用(附註10)		
- owned property, plant and equipment	- 自有物業、廠房及設備	1,934	1,723
- right-of-use assets	- 使用權資產	2,157	2,817
		4,091	4,540
Cost of inventories	存貨成本		
- Carrying amount of inventories sold	- 已售存貨的賬面值	32,626	50,468
- Write-down of inventories	- 存貨撇減	2,127	2,244
		34,753	52,712
Amortisation of intangible assets (note 11)	無形資產攤銷(附註11)	50	102
(Reversal of impairment losses)/ impairment losses on trade debtors and bills receivables, lease receivables and contract assets (note 29(a))	貿易應收賬款及應收票據、租賃應收款及合約資產(減值虧損撥回)/減值虧損(附註29(a))	(3,418)	4,272
Impairment losses on property, plant and equipment (note 10)	物業、廠房及設備減值虧損(附註10)	-	1,723
Research and development costs	研究及開發費用	3,831	4,692
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	(559)	(192)
Auditors' remuneration	核數師酬金		
- audit services	- 核數服務	460	460
- other services	- 其他服務	-	81

(d) Gain on settlement of sale and purchase contracts

Pursuant to the deed of settlement dated 31 August 2020 entered into by the Group and an external third party, both parties agreed to rescind certain sale and purchase contracts, in which the Group was required to pay cash settlement of \$6,226,000 by monthly instalments and issue 174,394,797 new shares of the Company. The shares of the Company were issued on 22 September 2020.

(d) 結算買賣合約的收益

根據本集團與一名外部第三方所訂立日期為二零二零年八月三十一日的結算契據，雙方同意解除若干買賣合約，其中本集團須按月分期支付現金6,226,000元，並發行174,394,797股本公司新股份。本公司股份已於二零二零年九月二十二日發行。

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5 PROFIT BEFORE TAXATION (Continued)

(d) Gain on settlement of sale and purchase contracts (Continued)

Upon the settlement of such contracts, the Group wrote-off or made provisions on all assets and liabilities relating to these sale and purchase contracts including a drilling rig under construction with carrying amount of \$120,000,000 and contract liabilities of \$12,830,000. In addition, the Group also made accruals of \$2,261,000 in respect of obligations specified in the deed of settlement. As a result, a gain of \$26,332,000, which represented the net of (i) reversal of net liabilities; (ii) recognition of accruals for obligations arising from the deed of settlement; and (iii) aggregate settlement consideration of \$12,349,000, was recognised during the year ended 31 December 2020.

During the year ended 31 December 2021, a reversal of accruals of \$996,000 in connection with the above settlement was credited to profit or loss as the Group no longer has the obligations to fulfill its certain responsibilities as stated in the deed of settlement.

(e) Other operating expenses

During the year ended 31 December 2020, other operating expenses include impairment losses of \$1,723,000 in respect of property, plant and equipment as disclosed in note 10(a).

(f) Gain on disposal of non-current assets classified as held for sale

Pursuant to the land disposal agreements entered by the Group with external third parties on 29 October 2020, the Group agreed to dispose of certain land and buildings, situated in Qingdao, the People's Republic of China (the "PRC") and related plant and machinery and office equipment, furniture and fixtures, at an aggregate consideration of RMB245,000,000 (equivalent to \$37,975,000). The aggregate carrying amount of all disposed land and buildings and related plant and machinery and office equipment, furniture and fixtures was \$23,397,000. The disposal transactions were completed in February 2021. As a result, a gain on disposal of non-current assets classified as held for sale of \$11,407,000, after the recognition of related tax expenses (excluding land appreciation tax) of \$3,171,000, was credited to profit or loss for the year ended 31 December 2021.

5 除稅前溢利(續)

(d) 結算買賣合約的收益(續)

於結算該等合約後，本集團撤銷與該等買賣合約有關的所有資產及負債(包括賬面值為120,000,000元的在建鑽井平台及合約負債12,830,000元)或就有關資產及負債計提撥備。此外，本集團就結算契據所訂明的責任作出應計款項2,261,000元。因此，收益26,332,000元指(i)撥回負債淨額；(ii)確認結算契據所產生的義務的應計款項；及(iii)結算代價總額12,349,000元之淨額，已於截至二零二零年十二月三十一日止年度確認。

於截至二零二一年十二月三十一日止年度，就上述結算撥回之應計款項996,000元已計入損益，乃由於本集團不再有責任履行結算契據所載其若干責任。

(e) 其他經營開支

於截至二零二零年十二月三十一日止年度，其他經營開支包括附註10(a)所披露的物業、廠房及設備的減值虧損1,723,000元。

(f) 出售分類為持作出售的非流動資產的收益

根據本集團於二零二零年十月二十九日與外部第三方訂立的土地出售協議，本集團同意出售位於中華人民共和國(「中國」)青島的若干土地及樓宇以及有關廠房及機器以及辦公室設備、傢俬及固定裝置，總代價為人民幣245,000,000元(相當於37,975,000元)。所有獲出售土地及樓宇以及有關廠房及機器以及辦公室設備、傢俬及固定裝置的總賬面值為23,397,000元。出售交易已於二零二一年二月完成。因此，經確認相關稅項開支(不包括土地增值稅)3,171,000元後，出售分類為持作出售的非流動資產的收益為11,407,000元，已計入截至二零二一年十二月三十一日止年度的損益。

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6 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS

(a) Taxation in the consolidated statement of profit or loss represents:

6 綜合損益表內的所得稅

(a) 綜合損益表內的稅項指：

		2021 二零二一年 US\$'000 千美元	2020 二零二零年 US\$'000 千美元
Current tax	即期稅項		
Provision for the year	年內撥備		
- The PRC enterprise income tax	- 中國企業所得稅	864	136
- The PRC Land Appreciation Tax	- 中國土地增值稅	3,716	-
- Overseas corporation income tax	- 海外企業所得稅	326	525
		4,906	661
Over-provision in respect of prior years	過往年度超額撥備	(77)	(993)
		4,829	(332)
Deferred tax	遞延稅項		
Origination of temporary differences (note 25(b))	產生暫時性差額(附註25(b))	1,567	(617)
		6,396	(949)

No provision for Hong Kong Profits Tax has been made in the consolidated financial statements as the Group has no assessable profits subject to Hong Kong Profits Tax for the current and prior years.

No provision for the United States corporate income tax has been made as the Group sustained losses for taxation purpose for the current and prior years.

Taxation for subsidiaries in other jurisdictions is charged at the appropriate current rates of taxation ruling in relevant jurisdictions. During the year, the statutory tax rate in the PRC is 25% (2020:25%) and certain PRC subsidiaries are subject to tax at a reduced rate of 15% (2020: 15%) under the relevant PRC tax rules and regulations.

由於本年度及過往年度本集團並無任何須繳納香港利得稅的應課稅溢利，故綜合財務報表內未有計提有關之香港利得稅撥備。

由於本年度及過往年度本集團就稅務目的而言持續虧損，故未有計提有關之美國企業所得稅撥備。

於其他司法權區的附屬公司的稅項按有關司法權區的現行適當稅率計算。於年內，中國法定稅率為25%（二零二零年：25%），而若干中國附屬公司根據有關中國稅務條例及法規按已調減稅率15%（二零二零年：15%）繳稅。

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6 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS (Continued)

(b) Reconciliation between tax expenses/(credit) and accounting profit at applicable tax rates:

6 綜合損益表內的所得稅(續)

(b) 稅項開支/(抵免)與按適用稅率計算的會計溢利的對賬列載如下：

		2021 二零二一年 US\$'000 千美元	2020 二零二零年 US\$'000 千美元
Profit before taxation	除稅前溢利	15,740	9,881
Notional tax on profit before taxation, calculated at the rates applicable to profits/losses in the jurisdictions concerned	除稅前溢利的名義稅項，按各相關司法權區溢利/虧損適用的稅率計算	4,374	599
Tax effect of Land Appreciation Tax arising from disposal of non-current assets classified as held for sale	出售分類為持作出售的非流動資產產生的土地增值稅的稅務影響	3,716	-
Tax effect of non-deductible expenses	不可扣減開支的稅務影響	1,229	2,221
Tax effect of non-taxable income	非應課稅收入的稅務影響	(2,887)	(5,375)
Tax effect of profits/losses entitled to lower tax rate in the PRC	中國稅率降低的溢利/虧損的稅務影響	(638)	(215)
Tax effect of unused tax losses not recognised	未確認未動用稅項虧損的稅務影響	2,139	2,886
Tax effect of other temporary differences not recognised/derecognised	未確認/終止確認其他暫時性差額的稅務影響	(130)	609
Tax effect of recognition/utilisation of previously unrecognised temporary differences	確認/動用先前未確認暫時性差額的稅務影響	(19)	(444)
Tax effect of utilisation of unused tax losses not recognised in prior years	使用過往年度未確認的未使用稅項虧損的稅務影響	(1,311)	(237)
Over-provision in prior years	過往年度超額撥備	(77)	(993)
Actual tax expenses/(credit)	實際稅項開支/(抵免)	6,396	(949)

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7 DIRECTORS' EMOLUMENTS

Directors' emoluments disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows:

7 董事酬金

根據香港公司條例第383(1)條及公司(披露董事利益資料)規例第2部披露的董事酬金如下：

		Directors' fees		Salaries, allowances and benefits in kind		Equity-settled share-based payment		Retirement scheme contributions		Total	
		董事袍金		薪金、津貼及實物利益		以權益結算以股份為基礎之付款		退休計劃供款		總計	
		2021 二零二一年 US\$'000 千美元	2020 二零二零年 US\$'000 千美元	2021 二零二一年 US\$'000 千美元	2020 二零二零年 US\$'000 千美元	2021 二零二一年 US\$'000 千美元	2020 二零二零年 US\$'000 千美元	2021 二零二一年 US\$'000 千美元	2020 二零二零年 US\$'000 千美元	2021 二零二一年 US\$'000 千美元	2020 二零二零年 US\$'000 千美元
Executive directors:	執行董事：										
Mr. Jiang Bing Hua	蔣秉華先生	-	-	310	310	34	-	3	3	347	313
Mr. Zhang Menggui	張夢桂先生	-	-	310	310	34	-	3	3	347	313
Mr. Cong Yongjian (appointed on 19 February 2020 and resigned on 19 July 2021)	叢永儉先生(於二零二零年 二月十九日獲委任及 於二零二一年七月十九日 辭任)	-	-	-	-	-	-	-	-	-	-
Mr. Wang Hongyuan (resigned on 19 February 2020)	王洪源先生(於二零二零年 二月十九日辭任)	-	-	-	-	-	-	-	-	-	-
Independent non-executive directors:	獨立非執行董事：										
Mr. Chan Ngai Sang, Kenny	陳毅生先生	15	15	-	-	-	-	-	-	15	15
Mr. Zou Zhendong	鄒振東先生	15	15	-	-	-	-	-	-	15	15
Mr. Chen Weidong	陳衛東先生	15	15	-	-	-	-	-	-	15	15
Mr. Sun Dongchang	孫東昌先生	15	15	-	-	-	-	-	-	15	15
Non-executive directors:	非執行董事：										
Mr. Wang Jianzhong	王建中先生	15	15	-	-	-	-	-	-	15	15
Mr. Lou Dongyang	婁東陽先生	-	-	-	-	-	-	-	-	-	-
Ms. Fu Rui	傅銳女士	-	-	-	-	-	-	-	-	-	-
Mr. Liu Jiancheng (appointed on 23 September 2021)	劉建成先生(於二零二一年 九月二十三日獲委任)	-	-	-	-	-	-	-	-	-	-
Mr. Huang Jin (appointed on 23 September 2021)	黃晉先生(於二零二一年 九月二十三日獲委任)	-	-	-	-	-	-	-	-	-	-
Mr. Qian Zewei (resigned on 15 April 2021)	錢澤偉先生(於二零二一年 四月十五日辭任)	-	-	-	-	-	-	-	-	-	-
Mr. Ren Zhiqiang (appointed on 15 April 2021 and resigned on 19 July 2021)	任志強先生(於二零二一年 四月十五日獲委任及於 二零二一年七月十九日 辭任)	-	-	-	-	-	-	-	-	-	-
		75	75	620	620	68	-	6	6	769	701

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8 INDIVIDUALS WITH HIGHEST EMOLUMENTS

Of the five individuals with the highest emoluments, two (2020: two) are directors whose emoluments are disclosed in note 7. The aggregate of the emoluments in respect of the other three (2020: three) individuals are as follows:

		2021 二零二一年 US\$'000 千美元	2020 二零二零年 US\$'000 千美元
Salaries and other emoluments	薪金及其他酬金	722	499
Equity-settled share-based payment	以權益結算以股份為基礎之付款	76	-
Retirement scheme contributions	退休計劃供款	3	8
		801	507

The emoluments of the three (2020: three) individuals with the highest emoluments are within the following bands:

		2021 二零二一年 Number of individuals 人數	2020 二零二零年 Number of individuals 人數
HK\$1,000,001 – HK\$1,500,000	1,000,001港元至1,500,000港元	-	2
HK\$1,500,001 – HK\$2,000,000	1,500,001港元至2,000,000港元	1	1
HK\$2,000,001 – HK\$2,500,000	2,000,001港元至2,500,000港元	2	-

8 最高薪人士

本集團五位最高薪人士中，兩位(二零二零年：兩位)為董事，其酬金於附註7披露。支付其餘三位(二零二零年：三位)最高薪人士的酬金總額詳情如下：

該三位(二零二零年：三位)最高薪人士的酬金介乎以下範圍：

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9 EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of \$9,220,000 (2020: \$10,916,000) and the weighted average number of 3,171,607,000 (2020: 3,056,855,000) ordinary shares in issue during the year calculated as follows:

Weighted average number of ordinary shares

		2021 二零二一年 '000 千股	2020 二零二零年 '000 千股
Issued ordinary shares at 1 January	於一月一日的已發行普通股	3,243,434	3,069,039
Effect of shares held for share award scheme (including the effect of shares granted under share award scheme)	持作股份獎勵計劃的股份的影響 (包括根據股份獎勵計劃所授出股份的影響)	(71,827)	(60,309)
Effect of issue of new shares	發行新股的影響	-	48,125
Weighted average number of ordinary shares at 31 December	於十二月三十一日的普通股加權平均數	3,171,607	3,056,855

(b) Diluted earnings per share

Diluted earnings per share equals to basic earnings per share for the years ended 31 December 2021 and 2020 because there were no potential dilutive ordinary shares outstanding.

9 每股盈利

(a) 每股基本盈利

每股基本盈利按本公司普通股股權股東應佔溢利9,220,000元(二零二零年：10,916,000元)及年內已發行普通股的加權平均數3,171,607,000股(二零二零年：3,056,855,000股)計算，現計算如下：

普通股的加權平均數

(b) 每股攤薄盈利

由於沒有發行在外的潛在攤薄普通股，故截至二零二一年及二零二零年十二月三十一日止年度的每股攤薄盈利相等於每股基本盈利。

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10 PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES

(a) Reconciliation of carrying amount

10 物業、廠房及設備以及投資物業

(a) 賬面值之對賬

		Land and buildings held for own use and leasehold improvements 持作自用之土地及樓宇及租賃物業裝修 US\$'000 千美元	Other properties leased for own use 其他自用物業租賃 US\$'000 千美元	Office equipment, furniture and fixtures 辦公室設備、傢俬及固定裝置 US\$'000 千美元	Plant and machinery 廠房及機器 US\$'000 千美元	Motor vehicles 汽車 US\$'000 千美元	Sub-total 小計 US\$'000 千美元	Investment properties 投資物業 US\$'000 千美元	Total 總計 US\$'000 千美元
Cost:	成本：								
At 1 January 2020	於二零二零年一月一日	42,089	4,608	8,817	22,160	2,049	79,723	4,714	84,437
Exchange adjustments	匯兌調整	1,624	70	773	873	60	3,400	312	3,712
Additions	添置	-	857	555	549	69	2,030	-	2,030
Transferred to non-current assets classified as held for sale (note 21)	轉撥至分類為持作出售之非流動資產(附註21)	(20,355)	-	(361)	(5,503)	-	(26,219)	-	(26,219)
Disposals	出售	-	(2,155)	(146)	(550)	(225)	(3,076)	-	(3,076)
At 31 December 2020 and 1 January 2021	於二零二零年十二月三十一日及二零二一年一月一日	23,358	3,380	9,638	17,529	1,953	55,858	5,026	60,884
Exchange adjustments	匯兌調整	579	25	80	421	36	1,141	127	1,268
Additions	添置	-	2,675	133	6,228	95	9,131	-	9,131
Disposals	出售	(1,897)	(1,780)	(1,667)	(693)	(349)	(6,386)	-	(6,386)
Transfer	轉撥	553	-	-	-	-	553	(553)	-
At 31 December 2021	於二零二一年十二月三十一日	22,593	4,300	8,184	23,485	1,735	60,297	4,600	64,897
Accumulated depreciation and impairment losses:	累計折舊及減值虧損：								
At 1 January 2020	於二零二零年一月一日	14,109	1,041	8,444	11,337	1,803	36,734	1,449	38,183
Exchange adjustments	匯兌調整	891	24	566	635	53	2,169	107	2,276
Charge for the year	年內支出	1,671	998	410	1,097	154	4,330	210	4,540
Transferred to non-current assets classified as held for sale (note 21)	轉撥至分類為持作出售之非流動資產(附註21)	(6,254)	-	(103)	(427)	-	(6,784)	-	(6,784)
Written back on disposals	出售時撥回	-	(418)	(277)	(369)	(221)	(1,285)	-	(1,285)
Impairment losses	減值虧損	335	-	318	1,035	35	1,723	-	1,723
At 31 December 2020 and 1 January 2021	於二零二零年十二月三十一日及二零二一年一月一日	10,752	1,645	9,358	13,308	1,824	36,887	1,766	38,653
Exchange adjustments	匯兌調整	240	5	75	255	30	605	59	664
Charge for the year	年內支出	948	1,002	201	1,663	53	3,867	224	4,091
Written back on disposals	出售時撥回	(609)	(1,109)	(1,656)	(787)	(339)	(4,500)	-	(4,500)
Transfer	轉撥	(623)	-	-	-	-	(623)	623	-
At 31 December 2021	於二零二一年十二月三十一日	10,708	1,543	7,978	14,439	1,568	36,236	2,672	38,908
Net book value:	賬面淨值：								
At 31 December 2021	於二零二一年十二月三十一日	11,885	2,757	206	9,046	167	24,061	1,928	25,989
At 31 December 2020	於二零二零年十二月三十一日	12,606	1,735	280	4,221	129	18,971	3,260	22,231

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10 PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES (Continued)

(a) Reconciliation of carrying amount (Continued)

During the year ended 31 December 2020, the Group assessed that the carrying amounts of certain idle machinery and a motor vehicle, under the operating segment of capital equipment and packages and oilfield expendables and supplies may not be recoverable. As a result, impairment losses of \$1,723,000 were recognised to reduce the carrying amount of these machinery and motor vehicle to their recoverable amount of \$Nil, as they were considered as no real commercial value to the Group.

The above impairment losses were recognised in "other operating expenses" in the consolidated statement of profit or loss.

(b) Fair value measurement of investment properties

Fair value hierarchy

The following table presents the fair value of the Group's investment properties (recognised at cost less accumulated depreciation and impairment losses) disclosed at the end of the reporting period, categorised into the three-level fair value hierarchy as defined in HKFRS 13, *Fair value measurement*. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available
- Level 3 valuations: Fair value measured using significant unobservable inputs

10 物業、廠房及設備以及投資物業(續)

(a) 賬面值之對賬(續)

於截至二零二零年十二月三十一日止年度，本集團評估資本設備及總包以及油田耗材及物料經營分部項下若干閒置機器及汽車之賬面值可能無法收回。因此，減值虧損1,723,000元已確認，以扣減該等機器及汽車之賬面值至其可收回金額零元，因為該等機器及汽車被視為對本集團並無實際商業價值。

上述減值虧損於綜合損益表「其他經營開支」項下確認。

(b) 投資物業之公平價值計量

公平價值級別

下表呈列本集團於報告期末披露之投資物業(按成本減累計折舊及減值虧損確認)之公平價值，分類為三級公平價值層級(定義見香港財務報告準則第13號公平價值計量)。公平價值計量分類水平參照評估技術所使用的輸入的可觀察性及重要性釐定如下：

- 第一級評估：僅使用第一級輸入計量之公平價值，即在測量日期相同的資產或負債的活躍市場的未經調整報價
- 第二級評估：使用第二級輸入計量之公平價值，即無法達到第一級的可觀察輸入，及未使用顯著不可觀察輸入。不可觀察輸入為市場數據不可用的輸入
- 第三級評估：使用顯著不可觀察輸入計量之公平價值

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10 PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES (Continued)

(b) Fair value measurement of investment properties (Continued)

Fair value hierarchy (Continued)

The fair value of the Group's investment properties (recognised at cost less accumulated depreciation and impairment losses) which are located in Mainland China is \$5,266,000 (2020: \$5,574,000). The fair value is determined by an independent valuer which has staff who hold recognised and relevant professional qualification and have experience in the location and category of the investment properties being valued, using market approach by reference to the transaction price per square metre of comparable properties. The fair value measurement of these investment properties is categorised into level 3.

(c) Right-of-use assets

The analysis of the net book value of right-of-use assets by class of underlying asset is as follows:

10 物業、廠房及設備以及投資物業(續)

(b) 投資物業之公平價值計量(續)

公平價值級別(續)

本集團位於中國內地的投資物業(按成本減累計折舊及減值虧損確認)的公平價值為5,266,000元(二零二零年: 5,574,000元)。公平價值由獨立估值師經參考可比較物業的每平方米交易價格後，使用市場法釐定。該估值師的員工持有獲認可及相關的專業資格，並具備所估值投資物業位置及類別方面經驗。該等投資物業的公平價值計量分為第三級。

(c) 使用權資產

按相關資產類別的使用權資產的賬面淨值分析如下：

	Note 附註	2021 二零二一年 US\$'000 千美元	2020 二零二零年 US\$'000 千美元
Ownership interests in leasehold land and buildings held for own use with remaining lease term of 10–50 years	(i)	10,577	11,107
Other properties leased for own use	(ii)	2,757	1,735
		13,334	12,842
Ownership interests in leasehold investment properties, with remaining lease term of 10–50 years		1,928	3,260
		15,262	16,102

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10 PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES (Continued)

(c) Right-of-use assets (Continued)

The analysis of expense items in relation to leases recognised in profit or loss is as follows:

		2021 二零二一年 US\$'000 千美元	2020 二零二零年 US\$'000 千美元
Depreciation/amortisation charge of right-of-use assets by class of underlying asset:	按相關資產類別劃分的使用權資產的折舊／攤銷費用：		
Ownership interests in leasehold land and buildings	於租賃土地及樓宇之所有權權益	931	1,609
Ownership interests in leasehold investment properties	於租賃投資物業之所有權權益	224	210
Other properties leased for own use	租賃用於自用的其他物業	1,002	998
		2,157	2,817
Interest on lease liabilities (note 5(a))	租賃負債利息(附註5(a))	1,515	1,554

(i) Ownership interests in leasehold land and buildings held for own use

The Group holds several industrial buildings where its manufacturing facilities are primarily located. The Group is the registered owner of these property interests, including the whole or part of undivided share in the underlying land. Lump sum payments were made upfront to acquire these property interests from their previous registered owners, and there are no ongoing payments to be made under the terms of the land lease, other than payments based on rateable values set by the relevant government authorities. These payments vary from time to time and are payable to the relevant government authorities.

10 物業、廠房及設備以及投資物業(續)

(c) 使用權資產(續)

於損益確認的租賃相關支出項目分析如下：

		2021 二零二一年 US\$'000 千美元	2020 二零二零年 US\$'000 千美元
Depreciation/amortisation charge of right-of-use assets by class of underlying asset:	按相關資產類別劃分的使用權資產的折舊／攤銷費用：		
Ownership interests in leasehold land and buildings	於租賃土地及樓宇之所有權權益	931	1,609
Ownership interests in leasehold investment properties	於租賃投資物業之所有權權益	224	210
Other properties leased for own use	租賃用於自用的其他物業	1,002	998
		2,157	2,817
Interest on lease liabilities (note 5(a))	租賃負債利息(附註5(a))	1,515	1,554

(i) 於持作自用租賃土地及樓宇之所有權權益

本集團擁有若干工業樓宇，其製造設施主要位於該等工業樓宇。本集團為該等物業權益(包括相關土地全部或部分未分割份額)的登記擁有人。於自登記擁有人獲得該等物業權益之前已作出一次性付款，且除根據相關政府機構設定的應課差餉租值進行的付款外，並無根據土地租賃條款正在進行的付款。該等付款不時有所不同，並應支付予相關政府機構。

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10 PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES (Continued)

(c) Right-of-use assets (Continued)

Details of total cash outflow for leases and the maturity analysis of lease liabilities are set out in notes 20(c) and 24, respectively.

(ii) Other properties leased for own use

The Group has obtained the right to use other properties as its office premises and warehouses through tenancy agreements. The leases typically run for an initial period of 2 to 10 years, none of the leases include variable lease payments.

(d) Assets leased out under operating leases

The Group leases out investment properties and plant and machinery under operating leases. The leases typically run for an initial period of 3 to 10 years, with an option to renew the lease after that date at which time all terms are renegotiated. None of the leases includes variable lease payments.

Undiscounted lease payments under non-cancellable operating leases are receivable as follows:

		2021 二零二一年 US\$'000 千美元	2020 二零二零年 US\$'000 千美元
Within 1 year	1年內	1,113	720
After 1 year but within 2 years	1至2年	519	374
After 2 years but within 3 years	2至3年	268	261
After 3 years but within 4 years	3至4年	268	261
After 4 years but within 5 years	4至5年	535	738
After 5 years	5年以上	2,971	2,615

10 物業、廠房及設備以及投資物業(續)

(c) 使用權資產(續)

租賃現金流出總額的詳情及租賃負債的期限分析分別載於附註20(c)和24。

(ii) 租賃用於自用的其他物業

本集團已通過租賃協議獲得使用其他物業作為辦公場所及倉庫的權利。租賃通常為期2至10年，概無租賃包含可變租賃付款。

(d) 經營租賃項下出租之資產

本集團根據經營租賃出租投資物業及廠房及機器。該等租賃一般初步為期3年至10年，於該日後可選擇續租，而屆時所有條款均可重新協商。概無租賃包含可變租賃付款。

應收不可撤銷經營租賃之未貼現租賃付款如下：

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11 INTANGIBLE ASSETS

11 無形資產

		Technical knowledge 專門技術知識	Customer relationships 客戶關係	Order backlog 未完成訂單	Patents 專利	Computer software 電腦軟件	Brand name 品牌名稱	Cooperation agreement 合作協議	Total 總計
		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	US\$'000 千美元	US\$'000 千美元
Cost:	成本：								
At 1 January 2020	於二零二零年一月一日	6,965	9,103	4,686	2,465	1,168	660	365	25,412
Exchange adjustments	匯兌調整	125	21	6	120	154	-	-	426
Write-off	撇銷	(7,090)	(9,124)	(4,692)	(2,585)	-	(660)	(365)	(24,516)
At 31 December 2020 and 1 January 2021	於二零二零年十二月三十一日及二零二一年一月一日	-	-	-	-	1,322	-	-	1,322
Exchange adjustments	匯兌調整	-	-	-	-	77	-	-	77
At 31 December 2021	於二零二一年十二月三十一日	-	-	-	-	1,399	-	-	1,399
Accumulated amortisation and impairment losses:	累計攤銷及減值虧損：								
At 1 January 2020	於二零二零年一月一日	6,965	9,103	4,686	2,465	861	660	365	25,105
Exchange adjustments	匯兌調整	125	21	6	120	131	-	-	403
Charge for the year	年內支出	-	-	-	-	102	-	-	102
Write-off	撇銷	(7,090)	(9,124)	(4,692)	(2,585)	-	(660)	(365)	(24,516)
At 31 December 2020 and 1 January 2021	於二零二零年十二月三十一日及二零二一年一月一日	-	-	-	-	1,094	-	-	1,094
Exchange adjustments	匯兌調整	-	-	-	-	60	-	-	60
Charge for the year	年內支出	-	-	-	-	50	-	-	50
At 31 December 2021	於二零二一年十二月三十一日	-	-	-	-	1,204	-	-	1,204
Net book value:	賬面淨值：								
At 31 December 2021	於二零二一年十二月三十一日	-	-	-	-	195	-	-	195
At 31 December 2020	於二零二零年十二月三十一日	-	-	-	-	228	-	-	228

The amortisation charge for the year is included in "other operating expenses" in the consolidated statement of profit or loss.

本年度的攤銷支出已計入綜合損益表「其他經營開支」內。

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(Expressed in United States dollars unless otherwise indicated) (除非另有說明，以美元表示)

12 INTEREST IN SUBSIDIARIES

The following list contains only the particulars of subsidiaries which principally affected the results, assets or liabilities of the Group. The class of shares held is ordinary unless otherwise stated.

12 於附屬公司之權益

下表僅列出對本集團的業績、資產或負債有重大影響的附屬公司資料。除另有列明者外，所持有的股份類別為普通股。

Name of company 公司名稱	Place of incorporation/ establishment and operation 註冊成立／成立及 經營地點	Particulars of issued and paid-up capital 已發行及 繳足股本的詳情	Proportion of ownership interest 所有權權益比例		Principal activity 主要業務
			Group's effective interest 本集團 實際權益	Held by a subsidiary 一間附屬 公司持有	
Emer International Limited	Hong Kong	2,000,000 shares	100%	100%	Investment holding, trading of rig equipment and provision of rig turnkey solutions
埃謀國際有限公司	香港	2,000,000股股份	100%	100%	投資控股、買賣鑽機設備及提供鑽機總包方案
TSC Oil and Gas Services Group Holdings Ltd ("TSC (Qingdao)")**	PRC	RMB120,000,000	100%	100%	Manufacturing and trading of oilfield expendables and supplies
青島天時油氣裝備服務集團股份有限公司(「TSC(青島)」)**	中國	人民幣 120,000,000元	100%	100%	製造及買賣油田耗材及物料
TSC-HHCT (Xian) Control Technologies Limited ("TSC-HHCT")**	PRC	RMB50,000,000	100%	100%	Manufacturing and trading of rig electrical control system
海爾海斯(西安)控制技術有限公司(「TSC-HHCT」)**	中國	人民幣50,000,000元	100%	100%	製造及買賣鑽機電控系統
TSC Manufacturing and Supply, LLC ("TSC M&S")	USA	\$28,529,900	100%	100%	Trading of rig equipment and oilfield expendables and supplies and provision of rig turnkey solutions
TSC Manufacturing and Supply, LLC (「TSC M&S」)	美國	28,529,900元	100%	100%	買賣鑽機設備及油田耗材及物料及提供鑽機總包方案
Qingdao TSC Offshore Equipment Co., Ltd. ("TSCO")#	PRC	\$42,500,000	100%	100%	Manufacturing and trading of rig equipment and provision of rig turnkey solutions
青島天時海洋石油裝備有限公司(「TSCO」)#	中國	42,500,000元	100%	100%	製造及買賣鑽機設備及提供鑽機總包方案

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(Expressed in United States dollars unless otherwise indicated) (除非另有說明，以美元表示)

12 INTEREST IN SUBSIDIARIES (Continued)

12 於附屬公司之權益(續)

Name of company 公司名稱	Place of incorporation/ establishment and operation 註冊成立/成立及 經營地點	Particulars of issued and paid-up capital 已發行及 繳足股本的詳情	Proportion of ownership interest 所有權益比例		Principal activity 主要業務
			Group's effective interest 本集團 實際權益	Held by a subsidiary 一間附屬 公司持有	
Zhengzhou TSC Offshore Equipment Co., Ltd. ("ZZOE")# 鄭州天時海洋石油裝備有限公司 (「ZZOE」)#	PRC 中國	RMB32,400,000 人民幣32,400,000元	100% 100%	100% 100%	Manufacturing and trading of rig equipment 製造及買賣鑽機設備
TSC Offshore China Ltd. ("TSC China")#* 北京TSC海洋石油裝備有限公司 (「TSC China」)#*	PRC 中國	RMB10,000,000 人民幣10,000,000元	100% 100%	100% 100%	Trading of rig equipment and oilfield expendables 買賣鑽機設備及油田耗材
NN Petroleum Engineering (HK) Co., Limited ("NN Petroleum") 南南石油工程(香港)有限公司 (「南南石油」)	Hong Kong 香港	16,450,000 shares 16,450,000股股份	79% 79%	100% 100%	Trading of oilfield expendables and supplies and provision of engineering services 買賣油田耗材及物料及提供 工程服務
TSC Offshore (UK) Limited ("TSCUK") TSC Offshore (UK) Limited (「TSCUK」)	United Kingdom 英國	73,074,952 shares of 0.025 GBP each 73,074,952股 每股面值0.025 英鎊的股份	100% 100%	100% 100%	Investment holding 投資控股
TSC Engineering Limited TSC Engineering Limited	United Kingdom 英國	GBP1 1英鎊	100% 100%	100% 100%	Design and manufacturing of mechanical handling equipment, trading of oilfield expendables and supplies and provision of engineering services 設計及製造機械處理設備、 買賣油田耗材及物料以及 提供工程服務

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(Expressed in United States dollars unless otherwise indicated) (除非另有說明，以美元表示)

12 INTEREST IN SUBSIDIARIES (Continued)

12 於附屬公司之權益(續)

Name of company 公司名稱	Place of incorporation/ establishment and operation 註冊成立/成立及 經營地點	Particulars of issued and paid-up capital 已發行及 繳足股本的詳情	Proportion of ownership interest 所有權益比例		Principal activity 主要業務
			Group's effective interest 本集團 實際權益	Held by a subsidiary 一間附屬 公司持有	
TSC Offshore Pte. Limited	Singapore	10,000 shares of 1 Singapore Dollar (SG\$) each	100%	100%	Trading of rig equipment and oilfield expendables and supplies and provision of management and engineering services
TSC Offshore Pte. Limited	新加坡	10,000股每股面值 1新加坡元 (「新加坡元」) 的股份	100%	100%	買賣鑽機設備及油田耗材及 物料以及提供管理及 工程服務
TSC Offshore Corporation	USA	\$6,100	100%	100%	Design, manufacturing and trading of rig equipment and sub-leasing of drilling rigs
TSC Offshore Corporation	美國	6,100元	100%	100%	設計、製造及買賣鑽機設備 以及分租鑽井平台
TSC Offshore Limiteda	Brazil	Brazil Real 1,800,000	100%	100%	Trading of oilfield expendables and supplies and provision of engineering services
TSC Offshore Limiteda	巴西	1,800,000雷亞爾	100%	100%	買賣油田耗材及物料以及提供 工程服務
China Merchants TSC Offshore Tech Ltd.#	PRC	RMB200,000,000	100%	100%	Research and development and sale of offshore wind power related equipment; research and development and sale of offshore engineering equipment
華商天時海洋科技有限公司*	中國	人民幣 200,000,000元	100%	100%	海上風電相關裝備研發及 銷售；海洋工程裝備研發 及銷售

Registered under the laws of the PRC as foreign investment enterprises
* Unofficial English translation

根據中國法律註冊為外商投資企業
* 非官方的英文翻譯

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綜合財務報表附註

(Expressed in United States dollars unless otherwise indicated) (除非另有說明，以美元表示)

13 INTEREST IN ASSOCIATES

13 於聯營公司之權益

		2021 二零二一年 US\$'000 千美元	2020 二零二零年 US\$'000 千美元
Share of net assets	所佔淨資產	1,165	346
Amount due from an associate (included in trade and other receivables) (note 17)	應收一間聯營公司款項(計入貿易應收及其他應收款項)(附註17)	5	55
Amount due to an associate (included in trade and other payables) (note 22)	應付一間聯營公司款項(計入貿易應付及其他應付款項)(附註22)	(573)	(130)

The following list contains the particulars of the associates, which are unlisted corporate entities whose quoted market prices are not available:

下表列出聯營公司的詳情，彼等為非上市企業實體，並無已報市場價格：

Name of associate 聯營公司名稱	Form of business structure 業務結構形式	Place of establishment and business 成立及營業地點	Particulars of issued and paid-up capital 已發行及繳足股本的詳情	Proportion of ownership interest 所有權權益比例		Principal activity 主要業務
				Group's effective interest 本集團實際權益	Held by a subsidiary 一間附屬公司持有	
Guangzhou Interstellar Offshore Engineering Co., Ltd 廣州星際海洋工程設計有限公司	Establishment 機構	PRC 中國	RMB5,000,000 人民幣 5,000,000元	25% 25%	25% 25%	Provision of professional technical services 提供專業技術服務
南京昌時傳動科技有限公司	Establishment 機構	PRC 中國	RMB2,000,000 人民幣 2,000,000元	30% 30%	30% 30%	Manufacturing and trading of machinery parts 製造及買賣機械部件
Jiangsu Modern Shipbuilding Technology Co., Ltd (Note) 江蘇現代造船技術有限公司(附註)	Establishment 機構	PRC 中國	RMB12,000,000 人民幣 12,000,000元	25%	25%	Provision of professional technical services on shipbuilding solutions 提供有關造船解決方案的專業技術服務

Note: During the year ended 31 December 2021, the Group acquired 25% equity interest in Jiangsu Modern Shipbuilding Technology Co., Ltd ("JSMST") at cash consideration of RMB3,500,000 (equivalent to \$544,000). The Group recognised a gain of \$381,000 in respect of the difference between the investment cost and the Group's share of net identifiable assets of JSMST. JSMST is a provider of ship design services and contemporary shipbuilding solutions, which enables the Group to strengthen its capabilities to provide more comprehensive services.

附註：於截至二零二一年十二月三十一日止年度，本集團以現金代價人民幣3,500,000元(相當於544,000元)收購江蘇現代造船技術有限公司(「江蘇現代造船技術」)的25%股權。本集團確認有關投資成本與本集團分佔江蘇現代造船技術之可識別資產淨值之差額的收益381,000元。江蘇現代造船技術為船舶設計服務及當代造船解決方案的供應商，其可讓本集團加強提供更全面服務的能力。

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(Expressed in United States dollars unless otherwise indicated) (除非另有說明，以美元表示)

13 INTEREST IN ASSOCIATES (Continued)

The above associates are accounted for using the equity method in the consolidated financial statements and do not have a significant impact on the Group's results and financial position. The share of profits less losses from their continuing operations and total comprehensive income (including the gain of \$381,000 in respect of the difference between the investment cost and the Group's share of net identifiable assets of JSMST) during the year ended 31 December 2021 are \$255,000 (2020: \$18,000) and \$255,000 (2020: \$18,000), respectively.

The amounts due from/to associates are unsecured, interest-free and recoverable/repayable on demand.

13 於聯營公司之權益(續)

以上聯營公司按權益法於綜合財務報表列賬，並未對本集團的業績及財務狀況構成重大影響。於截至二零二一年十二月三十一日止年度中，應佔其持續經營業務之溢利減虧損及全面收益總額(包括有關投資成本與本集團分佔江蘇現代造船技術之可識別資產淨值之差額的收益381,000元)分別為255,000元(二零二零年：18,000元)及255,000元(二零二零年：18,000元)。

應收／付聯營公司款項為無抵押、免息及應按要求收回／償還。

14 INTEREST IN JOINT VENTURE

		2021 二零二一年 US\$'000 千美元	2020 二零二零年 US\$'000 千美元
Share of net assets	所佔淨資產	43,123	40,727
Amount due from joint venture (included in trade and other receivables) (note 17)	應收合營公司款項(計入貿易應收及其他應收款項(附註17))	148	195

14 於合營公司之權益

(a) Details of the Group's interest in the joint venture, which is accounted for using the equity method in the consolidated financial statements, are as follows:

(a) 按權益法於綜合財務報表列賬之本集團於合營公司的權益詳情如下：

Name of joint venture 合營公司名稱	Form of business structure 業務結構模式	Place of incorporation and business 註冊成立及營業地點	Particulars of issued and paid-up capital 已發行及繳足股本詳情	Proportion of ownership interest 所有權權益比例		Principal activity 主要業務
				Group's effective interest 本集團實際權益	Held by a subsidiary 一間附屬公司持有	
Wealthy Marvel Enterprises Limited	Incorporated	The British Virgin Islands	\$100,000,000	50%	50%	Leasing and trading of jack-up drilling rigs
Wealthy Marvel Enterprises Limited	註冊成立	英屬處女群島	100,000,000元	50%	50%	租售自升式鑽井平台

Wealthy Marvel Enterprises Limited is a joint venture of the Group with its controlling shareholder, and the only joint venture in which the Group participates. It is an unlisted corporate entity whose quoted market price is not available.

Wealthy Marvel Enterprises Limited為本集團及其控股股東的合營公司，且為本集團唯一參與的合營公司。其為一家非上市公司實體，並無已報市場價格。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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14 INTEREST IN JOINT VENTURE (Continued)

(b) Summarised financial information of Wealthy Marvel Enterprises Limited, adjusted for any differences in accounting policies, and a reconciliation to the carrying amount in the consolidated financial statements, are disclosed below:

		2021 二零二一年 US\$'000 千美元	2020 二零二零年 US\$'000 千美元
Wealthy Marvel Enterprises Limited	Wealthy Marvel Enterprises Limited		
Current assets	流動資產	37,883	25,662
Non-current assets	非流動資產	152,056	157,309
Current liabilities	流動負債	(3,693)	(1,517)
Non-current liabilities	非流動負債	(100,000)	(100,000)
Equity	權益	86,246	81,454
Included in the above assets and liabilities:	上述資產及負債包括：		
Cash and cash equivalents	現金及現金等值物	30,679	20,274

14 於合營公司之權益(續)

(b) Wealthy Marvel Enterprises Limited之財務資料摘要(經就會計政策的任何差異作出調整)及與綜合財務報表中的賬面值之對賬披露於下：

		2021 二零二一年 US\$'000 千美元	2020 二零二零年 US\$'000 千美元
Revenue	收益	14,600	14,639
Profit from continuing operations and profit for the year	持續經營業務溢利及年內溢利	2,739	2,432
Other comprehensive income	其他全面收益	2,053	(6,006)
Total comprehensive income	全面收益總額	4,792	(3,574)
Included in the above profit:	上述溢利包括：		
Depreciation and amortisation	折舊及攤銷	(5,253)	(5,253)
Interest income	利息收入	-	186
Interest expense	利息開支	(5,500)	(5,515)
Reconciled to the Group's interest in Wealthy Marvel Enterprises Limited	本集團於Wealthy Marvel Enterprises Limited之權益對賬		
Gross amounts of Wealthy Marvel Enterprises Limited's net assets	Wealthy Marvel Enterprises Limited之資產淨值總額	86,246	81,454
Group's effective interest	本集團之實際權益	50%	50%
Carrying amount of the Group's interest	本集團權益之賬面值	43,123	40,727

(c) The amount due from joint venture as at 31 December 2021 and 2020 was unsecured, interest-free and recoverable on demand.

(c) 於二零二一年及二零二零年十二月三十一日的應收合營公司款項為無抵押、免息及應按要求收回。

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15 OTHER FINANCIAL ASSETS

15 其他金融資產

		2021 二零二一年 US\$'000 千美元	2020 二零二零年 US\$'000 千美元
Equity securities designated at FVOCI (non-recycling)	指定為按公平價值計入其他全面收益的股本證券 (非劃轉)		
Equity securities listed in Hong Kong	於香港上市的股本證券	345	233

The listed equity securities are shares in Persta Resources Inc., a company incorporated in Canada and engaged in petroleum and natural gas production. The Group designated this investment as financial asset at FVOCI (non-recycling), as the investment is held for strategic purposes. No dividends were received on this investment during the year (2020: \$Nil).

上市股本證券為於Persta Resources Inc.的股份，Persta Resources Inc.為一間於加拿大註冊成立的公司，從事石油及天然氣生產業務。由於該投資持作戰略目的，本集團將該投資指定為按公平價值計入其他全面收益的金融資產(非劃轉)。年內，概無就該投資收取任何股息(二零二零年：零元)。

Fair value measurement of equity securities

Fair value hierarchy

股本證券之公平價值計量

公平價值級別

		Fair value measurements as at 31 December 2021 categorised into 於二零二一年十二月三十一日 公平價值計量分類至			
		Fair value at 31 December 2021 於二零二一年 十二月 三十一日 公平價值 US\$'000 千美元	Level 1 第一級 US\$'000 千美元	Level 2 第二級 US\$'000 千美元	Level 3 第三級 US\$'000 千美元
Recurring fair value measurement	經常性公平價值計量				
Equity securities designated at FVOCI (non-recycling):	指定為按公平價值計入其他全面收益的股本證券 (非劃轉)：				
– Listed in Hong Kong	– 於香港上市	345	345	–	–

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15 OTHER FINANCIAL ASSETS (Continued)

Fair value measurement of equity securities

(Continued)

Fair value hierarchy (Continued)

15 其他金融資產(續)

股本證券之公平價值計量(續)

公平價值級別(續)

		Fair value measurements as at 31 December 2020 categorised into 於二零二零年十二月三十一日 公平價值計量分類至			
		Fair value at 31 December 2020 於二零二零年 十二月 三十一日 公平價值 US\$'000 千美元	Level 1 第一級 US\$'000 千美元	Level 2 第二級 US\$'000 千美元	Level 3 第三級 US\$'000 千美元
Recurring fair value measurement	經常性公平價值計量				
Equity securities designated at FVOCI (non-recycling):	指定為按公平價值計入其他全面收益的股本證券(非劃轉):				
- Listed in Hong Kong	- 於香港上市	233	233	-	-

During the years ended 31 December 2021 and 2020, there were no transfers between Level 1 and Level 2, or transfers out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

於截至二零二一年及二零二零年十二月三十一日止年度中，第一級與第二級之間概無轉撥，或轉出第三級。本集團之政策乃於報告期末公平價值級別之層級間發生轉撥時確認。

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16 INVENTORIES

Inventories in the consolidated statement of financial position comprise:

		2021 二零二一年 US\$'000 千美元	2020 二零二零年 US\$'000 千美元
Raw materials	原材料	5,768	4,803
Work in progress	在產品	12,843	13,528
Finished goods	產成品	14,780	4,677
		33,391	23,008

16 存貨

綜合財務狀況表中的存貨包括：

17 TRADE AND OTHER RECEIVABLES

		2021 二零二一年 US\$'000 千美元	2020 二零二零年 US\$'000 千美元
Trade debtors and bills receivables (note)	貿易應收賬款及應收票據(附註)	113,878	112,521
Less: loss allowance	減：虧損撥備	(61,990)	(65,317)
		51,888	47,204
Other receivables, prepayments and deposits (note)	其他應收款項、預付款及按金(附註)	12,906	10,163
Amount due from joint venture (note 14)	應收合營公司款項(附註14)	148	195
Amount due from an associate (note 13)	應收一間聯營公司款項(附註13)	5	55
		64,947	57,617
Less: Non-current portion of prepayments	減：預付款之非即期部分	(261)	-
		64,686	57,617

Note: As at 31 December 2021, trade debtors and bills receivables and deposits included \$1,055,000 (2020: \$Nil) and \$34,000 (2020: \$Nil) due from/paid to subsidiaries of the Group's ultimate holding company, in connection with the sales of products to and the lease arrangements with these related parties.

附註：於二零二一年十二月三十一日，貿易應收賬款及應收票據及按金包括應收／已付本集團最終控股公司的附屬公司的款項分別為1,055,000元(二零二零年：零元)及34,000元(二零二零年：零元)，乃有關向該等關連人士銷售產品及與該等關連人士之租賃安排。

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(Expressed in United States dollars unless otherwise indicated) (除非另有說明，以美元表示)

17 TRADE AND OTHER RECEIVABLES (Continued)

All of the trade debtors and bills receivables from contracts with customers are within the scope of HKFRS 15.

Except for prepayments and deposits of \$6,410,000 (2020: \$3,048,000) as at 31 December 2021, all of the trade and other receivables are classified as financial assets measured at amortised cost.

Ageing analysis

Included in trade and other receivables are trade debtors and bills receivables (net of loss allowance) with the following ageing analysis as of the end of the reporting period:

		2021 二零二一年 US\$'000 千美元	2020 二零二零年 US\$'000 千美元
Current	即期	35,739	15,379
Less than 1 month past due	逾期少於一個月	2,492	2,863
More than 1 month but within 3 months past due	逾期多於一個月但少於三個月	1,214	3,627
More than 3 months but within 12 months past due	逾期多於三個月但少於十二個月	2,432	13,073
More than 12 months but within 24 months past due	逾期多於十二個月但少於二十四個月	1,003	2,707
More than 24 months past due	逾期多於二十四個月	9,008	9,555
Amounts past due	逾期金額	16,149	31,825
		51,888	47,204

The credit terms offered by the Group to its customers differ with each product/service. The credit terms offered to customers of oilfield expendables and supplies and management and engineering services are normally 30 to 90 days. The credit terms offered to customers of capital equipment and packages are negotiated on a case-by-case basis. Deposits ranging from 0% to 30% of the contract sum are usually required. The balance of 60% to 90% would be payable in 1 to 2 months after delivery and acceptance of products. The remaining 5% to 10% of the contract sum represents the retention money and is generally payable within up to 18 months after delivery of the products or 1 year after completion of the onsite testing, whichever is earlier.

17 貿易應收及其他應收款項(續)

所有貿易應收賬款及應收票據屬於香港財務報告準則第15號範圍內的應收客戶合約款項。

除於二零二一年十二月三十一日之預付款及按金6,410,000元(二零二零年：3,048,000元)外，所有貿易應收及其他應收款項均分類為按攤銷成本計量的金融資產。

賬齡分析

於報告期末，包括在貿易應收及其他應收款項內的貿易應收賬款及應收票據(扣除虧損撥備)之賬齡分析如下：

本集團向其客戶提供的信貸期因產品／服務不同而有所不同。油田耗材及物料以及管理及工程服務的客戶獲提供的信貸期一般為30至90天，而資本設備及總包的客戶獲提供的信貸期則按個別情況磋商，一般要求介乎合約金額0%至30%的訂金，當付運目標達到後，餘額中60%至90%將須於一至兩個月內支付，合約金額餘下的5%至10%為保留金，一般於付運產品後的18個月或通過實地測試後一年(以較早者為準)內支付。

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18 LEASE RECEIVABLES

The Group leases out certain equipment under finance leases expiring within 6 years. In addition, at the end of the lease term the underlying equipment will be transferred to the lessee. None of these leases includes variable lease payments.

In addition, the Group also sub-leases two drilling rigs under finance leases expiring within 12-18 months. None of these leases includes variable lease payments.

The following table shows the remaining contractual maturities of the Group's lease receivables at the end of the reporting period:

		2021 二零二一年 US\$'000 千美元	2020 二零二零年 US\$'000 千美元
Within 1 year	1年內	20,967	27,467
After 1 year but within 2 years	1至2年	3,050	2,791
After 2 years but within 3 years	2至3年	2,560	2,694
After 3 years but within 4 years	3至4年	102	2,494
After 4 years but within 5 years	4至5年	-	100
		26,679	35,546
Less: total future interest income	減：未來總利息收入	(2,243)	(3,418)
		24,436	32,128
Less: loss allowance on lease receivables	減：租賃應收款虧損撥備	(166)	(208)
		24,270	31,920
Less: non-current portion of lease receivables	減：租賃應收款的非流動部分	(4,638)	(6,329)
		19,632	25,591

18 租賃應收款

本集團以六年期融資租賃出租若干設備。此外，於租賃期結束時，相關設備將轉讓予承租人。該等租賃概不包含可變租賃付款。

此外，本集團亦以12至18個月期限融資租賃分租兩台鑽井平台。該等租賃概不包含可變租賃付款。

下表列示本集團租賃應收款於報告期末的餘下合約期限：

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19 AMOUNT DUE FROM A RELATED COMPANY

19 應收一間關聯公司款項

		2021 二零二一年 US\$'000 千美元	2020 二零二零年 US\$'000 千美元
Katy International Inc.:	Katy International Inc. :		
Balance at 1 January	於一月一日結餘	101	101
Balance at 31 December	於十二月三十一日結餘	-	101
Maximum balance outstanding during the year	年內最高未償還結餘	101	101

The amount due from Katy International Inc., which is classified as financial assets measured at amortised cost, is unsecured, non-interest-bearing and without pre-determined repayment terms. Mr. Zhang Menggui and Mr. Jiang Bing Hua are directors of the Company and each of them has a 50% beneficial interest in Katy International Inc..

應收Katy International Inc.款項(分類為按攤銷成本計量的金融資產)為無抵押、免息及無預定還款期。張夢桂先生及蔣秉華先生為本公司董事，分別擁有Katy International Inc.的50%實益權益。

20 CASH AND CASH EQUIVALENTS

20 現金及現金等值物

(a) Cash and cash equivalents comprise:

(a) 現金及現金等值物包括：

		2021 二零二一年 US\$'000 千美元	2020 二零二零年 US\$'000 千美元
Cash at bank and on hand	銀行及手頭現金	33,511	22,424

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20 CASH AND CASH EQUIVALENTS (Continued)

(b) Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's liabilities from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the Group's consolidated cash flow statement as cash flows from financing activities.

20 現金及現金等值物(續)

(b) 融資業務產生之負債對賬

下表詳述本集團融資業務產生之負債變動，包括現金及非現金變動。融資業務產生之負債為現金流量或未來現金流量將於本集團綜合現金流量表中分類為融資業務之現金流之負債。

		Bank loans 銀行貸款	Lease liabilities 租賃負債 (Note 24) (附註24)	Total 合計
		US\$'000 千美元	US\$'000 千美元	US\$'000 千美元
At 1 January 2020	於二零二零年一月一日	9,184	3,938	13,122
Changes from financing cash flows	現金流融資之變動			
Proceed from new bank loans	新籌集銀行貸款所得款項	664	-	664
Repayment of bank loans	償還銀行貸款	(9,280)	-	(9,280)
Capital element of lease rentals paid	已付租賃租金之資本部分	-	(9,822)	(9,822)
Interest element of lease rentals paid	已付租賃租金之利息部分	-	(125)	(125)
Interest paid	已付利息	(171)	-	(171)
		(8,787)	(9,947)	(18,734)
Other changes	其他變動			
Interest expenses (note 5(a))	利息開支(附註5(a))	171	1,554	1,725
Increase in lease liabilities from entering into new leases	訂立新租賃產生之租賃負債增加	-	31,143	31,143
Decrease in lease liabilities from termination of existing leases	終止現有租賃產生之租賃負債減少	-	(1,546)	(1,546)
Forgiveness of loan under Paycheck Protection Program (see note 4)	薪資保障計劃下之貸款寬免(附註4)	(664)	-	(664)
Interest element of lease rentals paid for sub-leasing of drilling rigs classified as finance leases (included in operating activities)	就分類為融資租賃的分租鑽井平台支付的租賃租金之利息部分(計入經營業務)	-	(576)	(576)
		(493)	30,575	30,082
Exchange adjustments	匯兌調整	96	48	144
At 31 December 2020	於二零二零年十二月三十一日	-	24,614	24,614

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20 CASH AND CASH EQUIVALENTS (Continued)

(b) Reconciliation of liabilities arising from financing activities (Continued)

20 現金及現金等值物(續)

(b) 融資業務產生之負債對賬(續)

		Lease liabilities
		租賃負債
		(Note 24)
		(附註24)
		US\$'000
		千美元
At 1 January 2021	於二零二一年一月一日	24,614
Changes from financing cash flows	現金流融資之變動	
Capital element of lease rentals paid	已付租賃租金之資本部分	(27,016)
Interest element of lease rentals paid	已付租賃租金之利息部分	(150)
		(27,166)
Other changes	其他變動	
Interest expenses (note 5(a))	利息開支(附註5(a))	1,515
Increase in lease liabilities from entering into new leases	訂立新租賃產生之租賃負債增加	28,155
Decrease in lease liabilities arising from termination of existing leases	終止現有租賃產生之租賃負債減少	(688)
Decrease in lease liabilities arising from reassessment of lease term of an existing lease	重新評估一項現有租賃的租期產生的租賃負債減少	(4,338)
Interest element of lease rentals paid for sub-leasing of drilling rigs classified as finance leases (included in operating activities)	就分類為融資租賃的分租鑽井平台支付的租賃租金之利息部分(計入經營業務)	(1,417)
		23,227
Exchange adjustments	匯兌調整	21
At 31 December 2021	於二零二一年十二月三十一日	20,696

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20 CASH AND CASH EQUIVALENTS (Continued)

(c) Total cash outflow for leases

Amounts included in the consolidated cash flow statement for leases comprise the following:

		2021 二零二一年 US\$'000 千美元	2020 二零二零年 US\$'000 千美元
Within operating cash flows	經營現金流量	1,417	576
Within financing cash flows	融資現金流量	27,166	9,947
		28,583	10,523

These amounts relate to the following:

		2021 二零二一年 US\$'000 千美元	2020 二零二零年 US\$'000 千美元
Lease rentals paid	已付租賃租金	28,583	10,523

(d) Major non-cash transactions

- (i) In September 2020, the Company allotted and issued 174,394,797 shares to an external third party for the partial settlement of \$6,226,000 in respect of certain incomplete sale and purchase contracts (see notes 5(d) and 28(b)(i)).

20 現金及現金等值物(續)

(c) 租賃現金流出總額

綜合租賃現金流量表中包含的金額包括如下：

		2021 二零二一年 US\$'000 千美元	2020 二零二零年 US\$'000 千美元
Within operating cash flows	經營現金流量	1,417	576
Within financing cash flows	融資現金流量	27,166	9,947
		28,583	10,523

該等金額與以下各項有關：

		2021 二零二一年 US\$'000 千美元	2020 二零二零年 US\$'000 千美元
Lease rentals paid	已付租賃租金	28,583	10,523

(d) 主要非現金交易

- (i) 於二零二零年九月，本公司向一名外部第三方配發及發行174,394,797股股份，以部分結算若干尚未完成的買賣合約6,226,000元(見附註5(d)及28(b)(i))。

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21 NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

During the year ended 31 December 2020, the Group entered into land disposal agreements with a third party. Pursuant to the agreements, the Group would dispose of certain land and buildings situated in Qingdao, the PRC, and related plant and machinery and office equipment, furniture and fixtures, at an aggregate consideration of RMB245,000,000 (equivalent to \$37,975,000). As a result, the above assets with aggregate carrying amount of \$23,609,000 was non-current assets classified as held for sale as at 31 December 2020.

The disposal transactions were completed in February 2021 (see note 5(f)).

21 分類為持作出售之非流動資產

截至二零二零年十二月三十一日止年度，本集團與一名第三方訂立土地出售協議。根據該協議，本集團將出售位於中國青島的若干土地及樓宇以及有關廠房及機器以及辦公室設備、傢俬及固定裝置，總代價為人民幣245,000,000元（相當於37,975,000元）。因此，二零二零年十二月三十一日總賬面值為23,609,000元之上述資產為分類為持作出售之非流動資產。

出售交易事項於二零二一年二月完成（見附註5(f)）。

22 TRADE AND OTHER PAYABLES

22 貿易應付及其他應付款項

		2021 二零二一年 US\$'000 千美元	2020 二零二零年 US\$'000 千美元
Trade creditors and bills payables	貿易應付賬款及應付票據	28,248	32,712
Other payables and accrued charges	其他應付款項及應計開支	13,510	19,524
Receipts in advance	預收款	-	5,623
Amount due to an associate (note 13)	應付一間聯營公司款項(附註13)	573	130
		42,331	57,989

Except for receipts in advance of \$5,623,000 as at 31 December 2020 in respect of the proposed disposal transactions as stated in note 21, all of the trade and other payables are classified as financial liabilities measured at amortised cost.

除附註21所載於二零二零年十二月三十一日的就建議出售交易收取的預收款5,623,000元外，所有貿易應付及其他應付款項分類為按攤銷成本計量的金融負債。

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22 TRADE AND OTHER PAYABLES (Continued)

As of the end of the reporting period, the ageing analysis of trade creditors and bills payables (which are included in trade and other payables), based on invoice date, is as follows:

		2021 二零二一年 US\$'000 千美元	2020 二零二零年 US\$'000 千美元
Within 1 month	一個月內	16,177	14,363
More than 1 month but within 3 months	超過一個月但於三個月內	2,346	2,684
More than 3 months but within 12 months	超過三個月但於十二個月內	2,909	6,806
More than 12 months but within 24 months	超過十二個月但於二十四個月內	1,757	2,528
More than 24 months	超過二十四個月	5,059	6,331
		28,248	32,712

22 貿易應付及其他應付款項(續)

於報告期末，貿易應付賬款及應付票據(計入貿易應付及其他應付款項)按發票日期的賬齡分析如下：

23 CONTRACT ASSETS AND CONTRACT LIABILITIES

(a) Contract assets

		2021 二零二一年 US\$'000 千美元	2020 二零二零年 US\$'000 千美元
Contract assets	合約資產		
Made-to-order construction contracts	定制建築合約		
- Arising from performance under made-to-order manufacturing arrangements	- 履行定制製造安排所產生	-	324

23 合約資產及合約負債

(a) 合約資產

Typical payment terms which impact on the amount of contract assets recognised are disclosed in note 17. As at 31 December 2020, all contract assets were expected to be recovered within one year.

對確認的合約資產金額有影響的一般付款條款於附註17披露。於二零二零年十二月三十一日，預期所有合約資產將於一年內收回。

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23 CONTRACT ASSETS AND CONTRACT LIABILITIES (Continued)

(b) Contract liabilities

		2021 二零二一年 US\$'000 千美元	2020 二零二零年 US\$'000 千美元
Contract liabilities	合約負債		
Billings in advance of performance	履行義務的提前結算	15,003	8,667

Typical payment terms which impact on the amount of contract liabilities recognised are disclosed in note 17.

The amount of revenue recognised for the year ended 31 December 2021 that was included in the contract liability balance at 1 January 2021 was \$711,000 (2020: \$3,165,000). During the year ended 31 December 2020, contract liabilities of \$12,830,000 was derecognised upon the settlement of certain sale and purchase contracts (see note 5(d)).

The amount of billings in advance of performance expected to be recognised as income after more than one year is \$7,724,000 (2020: \$8,080,000).

23 合約資產及合約負債(續)

(b) 合約負債

對確認的合約負債金額有影響的一般付款條款於附註17披露。

計入於二零二一年一月一日合約負債結餘且於截至二零二一年十二月三十一日止年度確認的收益金額為711,000元(二零二零年：3,165,000元)。於截至二零二零年十二月三十一日止年度，合約負債12,830,000元在結算若干買賣合約(見附註5(d))後終止確認。

預期將於超過一年以後確認為收入的履行義務的提前結算金額為7,724,000元(二零二零年：8,080,000元)。

24 LEASE LIABILITIES

At 31 December 2021, the lease liabilities were repayable as follows:

		2021 二零二一年 US\$'000 千美元	2020 二零二零年 US\$'000 千美元
Within 1 year	1年內	18,536	23,390
After 1 year but within 2 years	1至2年	1,217	470
After 2 years but within 5 years	2至5年	918	754
Over 5 years	5年以上	25	-
		2,160	1,224
		20,696	24,614

24 租賃負債

於二零二一年十二月三十一日，租賃負債還款如下：

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25 INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(a) Current taxation in the consolidated statement of financial position represents:

25 綜合財務狀況表內的所得稅

(a) 綜合財務狀況表中的即期稅項指：

		2021 二零二一年 US\$'000 千美元	2020 二零二零年 US\$'000 千美元
Provision for the year	年內撥備	1,190	661
Provisional income tax paid	已付暫定所得稅	(899)	(144)
		291	517
Balance of income tax provision relating to prior years	有關過往年度的所得稅撥備結餘	2,852	2,424
		3,143	2,941
		2021 二零二一年 US\$'000 千美元	2020 二零二零年 US\$'000 千美元
Reconciliation to the consolidated statement of financial position:	綜合財務狀況表的對賬：		
Tax recoverable	可收回稅項	(146)	(435)
Tax payable	應付稅項	3,289	3,376
		3,143	2,941

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25 INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

(b) Deferred tax assets and liabilities recognised:

The components of deferred tax (assets)/liabilities recognised in the consolidated statement of financial position and the movements during the year are as follows:

		Impairment losses on trade debtors and bills receivables 貿易應收賬款及應收票據減值虧損	Write-down of inventories 存貨撇減	Unrealised profits on inventories 存貨未變現溢利	Lease receivables 租賃應收款	Others 其他	Total 總計
		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
Deferred tax arising from:	來自以下項目的遞延稅項：						
At 1 January 2020	於二零二零年一月一日	(1,010)	(783)	(246)	264	-	(1,775)
Exchange adjustments (Credited)/charged to profit or loss (note 6(a))	匯兌調整 (計入)/扣除損益(附註6(a))	(73)	(87)	13	(1)	-	(148)
		(48)	(558)	326	(337)	-	(617)
At 31 December 2020 and 1 January 2021	於二零二零年十二月三十一日及二零二一年一月一日	(1,131)	(1,428)	93	(74)	-	(2,540)
Exchange adjustments Charged/(credited) to profit or loss (note 6(a))	匯兌調整於損益扣除/(計入)(附註6(a))	(9)	26	(7)	(1)	-	9
		747	738	34	75	(27)	1,567
At 31 December 2021	於二零二一年十二月三十一日	(393)	(664)	120	-	(27)	(964)

25 綜合財務狀況表內的所得稅(續)

(b) 已確認的遞延稅項資產及負債：

於綜合財務狀況表內確認的遞延稅項(資產)/負債組成項目及年內變動如下：

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25 INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

(b) Deferred tax assets and liabilities recognised: (Continued)

At 31 December 2021, the Group had temporary differences arising from undistributed profits of subsidiaries of \$39,087,000 (2020: \$43,418,000). No provision for deferred tax liabilities have been made as the Company controls the dividend policy of these subsidiaries and it has been determined that it is probable that profits will not be distributed in the foreseeable future.

The Group has not recognised deferred tax assets in respect of cumulative tax losses and other temporary differences of \$170,390,000 (2020: \$171,540,000) as it is not probable that future taxable profits against which the tax losses and temporary differences can be utilised/reversed will be available in the relevant tax jurisdiction. Except for tax loss of the Group's subsidiaries in the PRC and Mexico of \$53,243,000 (2020: \$55,090,000) which will expire within five to ten years, the tax losses do not expire under current tax legislation.

26 EMPLOYEE RETIREMENT BENEFITS

As stipulated by the labour regulations of the PRC, the Group participates in various defined contribution retirement plans organised by the municipal and provincial governments for its employees in the Mainland China. The Group is required to make contributions to the retirement plans at rates ranging from 20% to 25% of the eligible employees' salaries.

The Group also operates a Mandatory Provident Fund Scheme ("the MPF scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The MPF scheme is a defined contribution retirement plan administered by an independent trustee. Under the MPF scheme, the employer and its employees are each required to make contributions to the scheme at 5% of the employees' relevant income, subject to a cap of monthly relevant income of HK\$30,000. Contributions to the plan vest immediately.

The Group's contributions under the above-mentioned defined contribution retirement plan are expensed as incurred and no contributions have been forfeited as all contributions to the MPF Scheme vest immediately.

25 綜合財務狀況表內的所得稅(續)

(b) 已確認的遞延稅項資產及負債：(續)

於二零二一年十二月三十一日，本集團附屬公司之未分派溢利產生之暫時性差額為39,087,000元(二零二零年：43,418,000元)。由於本公司控制該等附屬公司之股息政策且已決定在可預見將來不大可能分派溢利，故並無就遞延稅項負債作出撥備。

由於在有關之稅務司法權區不大可能有未來應課稅溢利以抵銷可供動用／撥回之稅項虧損／暫時性差額，故本集團並無就累計稅項虧損及其他暫時性差額170,390,000元(二零二零年：171,540,000元)確認遞延稅項資產。根據現行稅務規例，除本集團位於中國及墨西哥的附屬公司的稅務虧損53,243,000元(二零二零年：55,090,000元)將於五至十年內屆滿外，稅務虧損並無期限。

26 僱員退休福利

根據中國的勞工法規，本集團參與多個由省市政府為中國內地的僱員組織的定額供款退休計劃。本集團須按合資格僱員薪金的20%至25%就該等退休計劃作出供款。

本集團亦根據香港強制性公積金計劃條例為根據香港僱傭條例僱用的僱員執行強制性公積金計劃(「強積金計劃」)。強積金計劃為由獨立信託人管理的定額供款退休計劃。在強積金計劃之下，僱主及其僱員均須按僱員有關收入的5%向該計劃供款，上限為每月有關收入的30,000港元。向該計劃作出的供款即時歸屬於受益人。

本集團於上述定額供款計劃項下的供款在其產生時列為開支，且由於所有向強積金計劃供款即時歸屬，故並無任何供款被沒收。

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26 EMPLOYEE RETIREMENT BENEFITS (Continued)

The Group also operates defined contribution retirement benefits schemes for all qualifying employees in jurisdictions other than the Mainland China and Hong Kong with contributions to the schemes at 3% – 10% of the gross salaries.

The Group has no other obligation for the payment of the employees' retirement and other post-retirement benefits other than the contributions described above.

27 SHARE AWARD SCHEME

(a) Share Award Plan

Pursuant to the resolutions passed by the shareholders on 16 January 2015 and 31 October 2019 ("Adoption Date of Share Award Scheme"), the Company has adopted a share award scheme ("Share Award Plan").

The purpose of the Share Award Plan is to recognise and reward the contribution of the Eligible Persons (as defined below) to the growth and development of the Group through an award of the Group's shares. The Share Award Plan shall be subject to the administration of the administrative committee in accordance with the rules of the Share Award Plan ("Administrative Committee"). A trustee ("the Trustee") is appointed by the board of directors ("the Board") to independently manage the Share Award Plan and declared in the trust deed entered into between the Company and the Trustee.

The Administrative Committee may, in its absolute discretion, make an award to an employee (whether full time or part time) of the Group (the "Eligible Person"), including directors, senior management and any other connected persons of the Company and any consultant of the Group. The eligibility of any of the Eligible Persons to an award shall be determined by the Administrative Committee from time to time on the basis of its opinion as to the Eligible Persons' contribution to the development and growth of the Group.

The Administration Committee shall, subject to and in accordance with the provisions of the Share Award Plan, be entitled (but shall not be bound) to, at any time during the continuation of the Share Award Plan, make an award to any of the Eligible Persons of such number of issued shares, fully paid or credited as fully paid, as the Administration Committee shall determine pursuant to the Share Award Plan. Vesting of an award to any Eligible Persons shall be subject to the consent of the Remuneration Committee of the Company.

26 僱員退休福利(續)

本集團亦為除中國內地及香港以外的司法權區的全體合資格僱員設有定額供款退休福利計劃，向計劃作出的供款金額為薪金總額的3%至10%。

除上述供款外，本集團並無其他責任支付僱員退休及其他退休後福利。

27 股份獎勵計劃

(a) 股份獎勵計劃

根據股東於二零一五年一月十六日及二零一九年十月三十一日(「股份獎勵計劃採納日期」)通過的決議案，本公司採納一項股份獎勵計劃(「股份獎勵計劃」)。

股份獎勵計劃旨在透過本集團之股份獎勵，表彰及獎勵合資格人士(定義見下文)為本集團增長及發展所作出之貢獻。根據股份獎勵計劃的規定該計劃應由行政委員會(「行政委員會」)管理。董事會(「董事會」)任命的受託人(「受託人」)可以獨立管理股份獎勵計劃且本公司與受託人之間訂立的信託契約對受託人予以聲明。

行政委員會可以酌情決定授予本集團的任何僱員(無論是全職還是兼職)(「合資格人士」)，並包括本公司的董事、高級管理人員和任何其他關連人士及本集團任何顧問。任何合資格人士是否可以獲得獎勵，應由行政委員會不時根據其對本集團的發展和成長做出的貢獻的意見而確定。

在遵守股份獎勵計劃規定的前提下，行政委員會有權(但不受約束)在繼續執行股份獎勵計劃期間，向合資格人士授予獎勵。由行政委員會根據股份獎勵計劃確定已繳足或入帳列為繳足的已發行股份數量。向任何合資格人士授予獎勵股份前須獲得本公司薪酬委員會的同意。

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27 SHARE AWARD SCHEME (Continued)

(a) Share Award Plan (Continued)

In the event that a selected person or his/her associate is a member of the Board and/or the Administration Committee, such person will abstain from voting on any approval by the Board and/or Administration Committee of an award of shares to such selected person. The directors may by resolutions appoint any one or more senior management of the Company as authorised representative(s) to give instructions or notices to the trustee on all matters in connection with the Share Award Plan and other matters in the routine administration of the trust.

Upon the receipt of an award notice, the trustee shall set aside the awarded shares provisionally awarded to an Eligible Person (the "Selected Person") to whom such award notice relates pending the transfer and vesting of the awarded shares to which such award notice relates. The trustee shall hold the awarded shares so set aside during the vesting period on the terms of the trust deed. The trustee may, at any time during the continuation of the Share Award Plan and the trust deed, purchase awarded shares from the stock market and/or set aside the appropriate number of shares out of a pool of issued shares held by the trustee pursuant to the trust Deed.

No award shall be made or vested by the Administrative Committee and no instructions to acquire shares shall be made after a price sensitive event has occurred or a price sensitive matter has been the subject of a decision until such price sensitive information has been made available to the public domain in accordance with the requirements under the Listing Rules.

Subject to any early termination pursuant to the terms of the Share Award Plan, the Share Award Plan will remain in force for a period commencing on the Adoption Date and ending on 30 October 2029.

In the event that any selected person ceases to be an Eligible Person by reason of his death, resignation or summary dismissal for misconduct, committing of a criminal offence or other breach of his term of employment, an award made to such Selected Person shall forthwith lapse and be cancelled.

27 股份獎勵計劃(續)

(a) 股份獎勵計劃(續)

如果選定的合資格人士或其關聯人士為董事會及／或行政委員會成員，該董事會成員應在董事會及／或行政委員會就授予股份予該候選人放棄投票。董事可藉通過決議案委任本公司任何一名或多名高級管理人員作為授權代表，就有關計劃之所有事宜及信託例行管理事務之其他事宜向受託人下達指示或通知。

收到獎勵通知後，受託人應劃撥臨時授予與獎勵通知有關的合資格人士(「選定人士」)的獎勵股份，以待轉讓和歸屬與獎勵通知有關的獎勵股份。受託人應按照信託契約的條款，在歸屬期內持有如此劃撥的獎勵股份。受託人可在股份獎勵計劃和信託契約存續期間的任何時間，從股票市場購買獎勵股份和／或從由受託人根據信託契約持有的股份劃撥適當數量的股份。

倘若發生價格敏感之事件或作出股價敏感之決定，行政委員會概不得作出或歸屬任何獎勵，亦不得發出任何購買股份之指示，直至根據上市規則之規定公佈該等股份價格敏感之資料為止。

根據股份獎勵計劃的條款，在任何提前終止的情況下，股份獎勵計劃將自採用的日起至二零二九年十月三十日止有效。

倘若任何選定人士因身故、辭任或因不當行為、觸犯刑事罪行或違反僱傭條款而被即時解雇不再為合資格人士，則對該名選定人士作出之獎勵將即時失效並註銷。

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27 SHARE AWARD SCHEME (Continued)

(a) Share Award Plan (Continued)

The board of directors may by resolution at any time terminate the operation of the Share Award Plan and in such event no further awards shall be made provided that such termination shall not affect any subsisting rights of any Selected Person in respect of any award made to him prior to such termination. Any surplus shares held by the Trustee will be sold on the market with the proceeds (after making appropriate deductions in respect of stamp duty and other costs, liabilities and expenses in accordance with the trust deed) together with such unutilised funds returned to the Company.

During the year ended 31 December 2021, 15,301,000 shares were granted to certain directors and management, accordingly equity-settled share-based payment of \$400,000 was charged to profit or loss.

During the year ended 31 December 2021, the total consideration paid for the purchases of 3,040,000 shares (2020: 45,760,000 shares) was \$147,000 (2020: \$1,470,000). As at 31 December 2021, the total consideration paid for the 70,499,000 shares (2020: 82,760,000 shares) held for share award scheme was \$3,631,000 (2020: \$4,271,000).

(b) Share Award Incentive Scheme

Pursuant to the resolutions passed by the shareholders on 27 May 2016 (“Adoption Date of Share Award Incentive Scheme”), the Company has adopted a share award incentive scheme (“Share Award Incentive Scheme”).

The purpose of the Share Award Incentive Scheme is to align the interests of the Eligible Persons of Share Award Incentive Scheme, which is defined as any individual, being an employee, officer, consultant or advisor of any member of the Group or any affiliate who is not a connected person of the Company and who the board of directors considers, in its sole discretion, to have contributed or will contribute to the Group, with those of the Group through ownership of shares, dividends and other distributions paid on shares and/or the increase in value of the shares and to encourage and retain Eligible Persons to make contributions to the long-term growth and profits of the Group.

27 股份獎勵計劃(續)

(a) 股份獎勵計劃(續)

董事會可以通過決議案隨時終止股份獎勵計劃的運作，而在此情況下將不再作出獎勵，惟終止不影響任何選定人士就終止前已向其作出的任何獎勵享有的存續權利。任何由受託人持有的剩餘股份將在市場上被出售，(根據信託契據對印花稅和其他成本，負債和費用進行適當的扣除後)連同未使用的資金退還給本公司。

於截至二零二一年十二月三十一日止年度，15,301,000股股份乃授予若干董事及管理層，因此以權益結算以股份為基礎之付款400,000元已於損益扣除。

於截至二零二一年十二月三十一日止年度，用於購買3,040,000股股份(二零二零年：45,760,000股股份)的已付代價總額為147,000元(二零二零年：1,470,000元)。於二零二一年十二月三十一日，用於購買70,499,000股股份(二零二零年：82,760,000股股份)的已付代價總額為3,631,000元(二零二零年：4,271,000元)。

(b) 股份獎勵激勵計劃

根據股東於二零一六年五月二十七日(「股份獎勵激勵計劃採納日期」)通過的決議案，本公司採納一項股份獎勵激勵計劃(「股份獎勵激勵計劃」)。

股份獎勵激勵計劃之目的為透過股份所有權、股息及就股份支付的其他分派及/或股份增值令股份獎勵激勵計劃之合資格人士的利益與本集團利益一致，及鼓勵及挽留合資格人士為本集團的長遠增長及溢利作出貢獻，合資格人士界定為董事會以其全權認為曾經或將會對本集團作出貢獻的任何並非本公司關連人士之個人(即本集團任何成員公司或任何聯屬公司的僱員、高級人員、顧問或諮詢人)。

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27 SHARE AWARD SCHEME (Continued)

(b) Share Award Incentive Scheme (Continued)

The Share Award Incentive Scheme is a separate scheme from the Share Award Plan adopted by the Company on 16 January 2015, which is specifically for granting share awards sourced from existing shares purchased from the stock market. The Share Award Incentive Scheme will give the Company flexibility in granting Awards of new Shares. The Share Award Incentive Scheme will be effective for a period until 26 May 2026 (“the Award Period”) unless terminated at the discretion of the Board at an earlier date.

On the assumption that all the awards granted under the Share Award Incentive Scheme shall be satisfied by the allotment and issue of new shares by the Company, an ordinary resolution has been proposed at the annual general meeting for the Share Award Incentive Scheme to be adopted by the Company in accordance with the scheme rules and to grant a mandate to the directors to allot and issue up to not more than 3% of the total number of issued shares as at the date of passing such resolution, in connection with the Share Award Incentive Scheme (subject to adjustment in the event of sub-division or consolidation of Shares in accordance with the rules of the Share Award Incentive Scheme).

During the Award Period, the Board may, from time to time, at their absolute discretion, select any Eligible Person of Share Award Incentive Scheme (“the Selected Participant”) and grant an Award to such Selected Participant by way of issuing an award letter. The award letter will specify the grant date, the number of award shares underlying the award, the vesting criteria and conditions, the vesting date and such other details as the board of directors may consider necessary. Announcements on the allotment and issue of new shares under the Share Award Incentive Scheme will be made in accordance with the applicable requirements of the Listing Rules when the grants are made.

In the event that any Selected Participant ceases to be an Eligible Person of Share Award Incentive Scheme by reason of his death, resignation, summary dismissal for misconduct, committing of a criminal offence or other breach of his term of employment or becoming a director or a connected person of the Company, the directors may at their absolute discretion determine either that any outstanding award shares and related income not yet vested shall vest in such manner as it thinks fit or that they shall be forfeited.

27 股份獎勵計劃(續)

(b) 股份獎勵激勵計劃(續)

股份獎勵激勵計劃為有別於本公司於二零一五年一月十六日所採納的股份獎勵計劃，並指定用作授出來自現有股份(購自股票市場)的股份獎勵。股份獎勵激勵計劃將為本公司授出新股份獎勵提供靈活彈性。股份獎勵激勵計劃將一直有效，直至二零二六年五月二十六日(「獎勵期間」)，惟董事會酌情在較早日期終止則作別論。

假設根據股份獎勵激勵計劃授出的全部獎勵須以本公司配發及發行的新股份履行，則於股東週年大會上提呈普通決議案，以供本公司按照計劃規則採納股份獎勵激勵計劃，並向董事授出有關股份獎勵激勵計劃的授權以配發及發行最多為該決議案通過之日已發行股份總數的3%(惟倘出現股份拆細或合併，可根據股份獎勵激勵計劃規則作出調整)。

於獎勵期間，董事會可不時全權酌情甄選任何股份獎勵激勵計劃的合資格人士(「選定參與者」)，並以發出獎勵函的形式向該選定參與者授出獎勵。獎勵函應訂明授出日期、有關獎勵的獎勵股份數目、歸屬標準及條件、歸屬日期及董事會認為必要的其他詳情。於作出授出時，本公司將按照上市規則適用規定，就配發及發行股份獎勵激勵計劃項下的新股份發出公告。

倘任何選定參與者因身故、辭任、因行為不當、觸犯刑事罪行或違反其僱傭條款而被即時解僱或成為本公司董事或關連人士而不再為股份獎勵激勵計劃的合資格人士，董事會可全權酌情釐定按其認為適當的方式，歸屬或沒收任何發行在外但尚未歸屬的獎勵股份及相關收入。

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27 SHARE AWARD SCHEME (Continued)

(b) Share Award Incentive Scheme (Continued)

The directors may by resolution at any time terminate the operation of the Share Award Incentive Scheme and in such event no further awards shall be made provided that such termination shall not affect any subsisting rights of any Selected Participant in respect of any award granted to him prior to such termination.

No issues, purchases or grants of shares under Share Award Incentive Scheme were made during the current and prior years.

27 股份獎勵計劃(續)

(b) 股份獎勵激勵計劃(續)

董事可透過決議案隨時終止股份獎勵激勵計劃的運作，且在此情況下，不得再授出任何獎勵，惟有關終止不得對任何選定參與者在終止前所獲授任何獎勵的存續權利造成影響。

於本年度及過往年度，概無根據股份獎勵激勵計劃發行、購買或授出任何股份。

28 CAPITAL AND RESERVES

(a) Movements in components of equity

The reconciliation between the opening and closing balances of each component of the Group's consolidated equity is set out in the consolidated statement of changes in equity. Details of the changes in the Company's individual components of equity between the beginning and the end of the year are set out below:

Company

		Share capital 股本 US\$'000 千美元	Share premium 股份溢價 US\$'000 千美元	Exchange reserve 匯兌儲備 US\$'000 千美元	Accumulated losses 累計虧損 US\$'000 千美元	Total 總計 US\$'000 千美元
Balance at 1 January 2020	於二零二零年一月一日之結餘	39,191	250,735	151	(161,974)	128,103
Changes in equity for 2020	於二零二零年之權益變動					
Total comprehensive income for the year	年內全面收益總額	-	-	-	(585)	(585)
Issue of new shares	發行新股份	2,227	3,897	-	-	6,124
Balance at 31 December 2020 and 1 January 2021	於二零二零年十二月三十一日及二零二一年一月一日之結餘	41,418	254,632	151	(162,559)	133,642
Changes in equity for 2021:	於二零二一年之權益變動：					
Total comprehensive income for the year	年內全面收益總額	-	-	-	(5,354)	(5,354)
Balance at 31 December 2021	於二零二一年十二月三十一日之結餘	41,418	254,632	151	(167,913)	128,288

28 資本及儲備

(a) 權益部分之變動

本集團綜合權益各部分之期初及期末結餘之對賬載於綜合權益變動表。本公司年初及年終之個別權益部分變動詳情載列如下：

本公司

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28 CAPITAL AND RESERVES (Continued)

(b) Share capital

		2021 二零二一年		2020 二零二零年	
		No. of shares 股份數目 '000 千股	Amount 金額 US\$'000 千美元	No. of shares 股份數目 '000 千股	Amount 金額 US\$'000 千美元
Authorised: Ordinary share of HK\$0.1 each	法定： 每股面值0.1港元的 普通股	10,000,000	128,730	10,000,000	128,730
Ordinary shares, issued and fully paid: At 1 January	已發行及繳足的 普通股： 於一月一日	3,243,434	41,418	3,069,039	39,191
Issue of new shares (note (i))	發行新股份(附註(i))	-	-	174,395	2,227
At 31 December	於十二月三十一日	3,243,434	41,418	3,243,434	41,418

- (i) Pursuant to a deed of settlement dated 31 August 2020, the Company allotted and issued 174,394,797 shares as part of settlement consideration in respect of certain incomplete sale and purchase contracts (see note 5(d)).
- (ii) The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

(c) Nature and purpose of reserves

(i) Share premium

Under the Companies Law (Revised) of the Cayman Islands, the fund in the share premium account of the Company is distributable to the shareholders of the Company provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as they fall due in the ordinary course of business.

(ii) Merger reserve

The merger reserve represents the difference between the nominal value of the share capital of the subsidiaries acquired as a result of the restructuring exercise in 2004 and the nominal value of the Company's shares issued in exchange thereof.

28 資本及儲備(續)

(b) 股本

		2021 二零二一年		2020 二零二零年	
		No. of shares 股份數目 '000 千股	Amount 金額 US\$'000 千美元	No. of shares 股份數目 '000 千股	Amount 金額 US\$'000 千美元
Authorised: Ordinary share of HK\$0.1 each	法定： 每股面值0.1港元的 普通股	10,000,000	128,730	10,000,000	128,730
Ordinary shares, issued and fully paid: At 1 January	已發行及繳足的 普通股： 於一月一日	3,243,434	41,418	3,069,039	39,191
Issue of new shares (note (i))	發行新股份(附註(i))	-	-	174,395	2,227
At 31 December	於十二月三十一日	3,243,434	41,418	3,243,434	41,418

- (i) 根據日期為二零二零年八月三十一日的結算契據，本公司配發及發行174,394,797股股份，作為若干尚未完成買賣合約的部分結算代價(見附註5(d))。
- (ii) 普通股持有人有權收取不時所宣派的股息，並有權於本公司的大會上就每股股份投一票。所有普通股就本公司剩餘資產而言享有同等地位。

(c) 儲備的性質及目的

(i) 股份溢價

根據開曼群島公司法(經修訂)，本公司股份溢價賬內的資金可供分配予本公司股東，惟緊隨建議派息日期後，本公司須仍有能力於日常業務過程中清償到期債務。

(ii) 合併儲備

合併儲備指因二零零四年進行重組而收購的附屬公司的股本面值與作為交換而本公司已發行股份的面值的差額。

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28 CAPITAL AND RESERVES (Continued)

(c) Nature and purpose of reserves (Continued)

(iii) Exchange reserve

The exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign subsidiaries. The reserve is dealt with in accordance with the accounting policies set out in note 1(v).

(iv) Capital reserve

The capital reserve represents the excess of capital contribution over the nominal value of the registered capital of TSC (Qingdao).

During the year ended 31 December 2016, TSC (Qingdao) was transformed into a company limited by shares. As a result, its net assets value in excess of share capital was transferred to capital reserve as a capital contribution.

(v) Revaluation reserve

The revaluation reserve represents the fair value adjustment to the interest previously held by the Group as an associate upon the acquisition of TSCUK.

(vi) Reserve funds

The Articles of Association of certain PRC subsidiaries require the appropriation of 10% of their profit after tax each year, based on their statutory audited financial statements, to the reserve funds until the balance reaches 50% of the registered capital of the respective PRC subsidiaries. The reserve funds may be capitalised as the paid-in capital of these subsidiaries.

(vii) Shares held for share award scheme reserve

The shares held for share award scheme reserve represents purchase costs of shares held for share award scheme as disclosed in note 27.

(viii) Fair value reserve (non-recycling)

The fair value reserve (non-recycling) comprises the cumulative net charge in the fair value of equity investments designated at FVOCI under HKFRS 9 that are held at the end of the reporting period (see note 1(f)).

28 資本及儲備(續)

(c) 儲備的性質及目的(續)

(iii) 匯兌儲備

匯兌儲備包括換算海外附屬公司財務報表時產生的所有外匯差額。儲備根據附註1(v)所載的會計政策處理。

(iv) 資本儲備

資本儲備指資本注資超出TSC(青島)的註冊資本面值的差額。

於截至二零一六年十二月三十一日止年度中，TSC(青島)改制為股份有限公司。因此，其超出股本之資產淨值部分作為注資轉撥至資本儲備。

(v) 重估儲備

重估儲備指於收購TSCUK時本集團作為聯繫人士先前所持權益作出的公平價值調整。

(vi) 儲備公益金

若干中國附屬公司的組織章程細則規定須根據其法定經審核財務報表將每年除稅後溢利的10%撥往儲備公益金，直至該儲備結餘達各中國附屬公司註冊資本50%為止。儲備公益金可資本化作該等附屬公司的實繳資本。

(vii) 持作股份獎勵計劃的股份儲備

持作股份獎勵計劃的股份儲備指持作股份獎勵計劃的股份的購買成本，如附註27所披露。

(viii) 公平價值儲備(非劃轉)

公平價值儲備(非劃轉)包括於報告期末所持有根據香港財務報告準則第9號指定為按公平價值計入其他全面收益的股本投資的公平價值累計淨額(見附註1(f))。

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28 CAPITAL AND RESERVES (Continued)

(d) Distributability of reserves

The Company's reserves available for distribution to equity shareholders of the Company as at 31 December 2021, as computed in accordance with the Companies Law (Revised) of the Cayman Islands amounted to \$86,719,000 (2020: \$92,073,000).

(e) Dividend

The directors do not recommend the payment of a dividend for the year ended 31 December 2021 (2020: \$Nil).

(f) Capital management

The Group's primary objectives when managing capital are to maintain a strong credit rating and healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. The Group reviews the capital structure on a regular basis and considers the cost of capital and the associated risks. Based on recommendations of the board of directors, the Group will balance its overall capital structure through adjusting the amount of dividends payable to shareholders, new shares issues or new debt financing. No changes were made in the objectives, policies or processes during the years ended 31 December 2021 and 2020.

The Group monitors capital with reference to its debt position. The Group's strategy is to maintain the gearing ratio, being the Group's total liabilities to total assets, under 100%. The gearing ratio as at 31 December 2021 was 35% (2020: 41%).

Neither the Company nor any of its subsidiaries is subject to any externally imposed capital requirements.

28 資本及儲備(續)

(d) 可供分派儲備

於二零二一年十二月三十一日，根據開曼群島公司法(經修訂)計算，本公司可供向本公司股權股東作分派的儲備為86,719,000元(二零二零年：92,073,000元)。

(e) 股息

董事不建議派付截至二零二一年十二月三十一日止年度的股息(二零二零年：零元)。

(f) 資本管理

本集團資本管理的首要目標乃維持良好的信貸評級及穩健的資本比率，以支持其業務發展及使股東價值最大化。

本集團管理其資本結構並因應經濟狀況的變化對資本結構作出調整。本集團定期審閱資本結構並考慮資本成本及相關風險。根據董事會的推薦意見，本集團將透過調整應付股東的股息金額、發行新股或進行新債務融資平衡整體資本結構。於截至二零二一年及二零二零年十二月三十一日止年度中，本集團資本管理的目標、政策或程序均無變動。

本集團參考其債務狀況監控資本。本集團的策略乃維持資產負債比率(即本集團的總負債除以總資產)低於100%。本集團於二零二一年十二月三十一日的資產負債比率為35%(二零二零年：41%)。

本公司或其任何附屬公司概不受任何外部資本規定限制。

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29 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

Exposure to credit, liquidity, interest rate and currency risks arises in the normal course of the Group's business. The Group's exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below.

(a) Credit risk

The Group's credit risk is primarily attributable to trade and other receivables, lease receivables and contract assets. Management has a credit policy in place and the exposure to this credit risk is monitored on an ongoing basis.

The credit risk on cash at bank, pledged bank deposits and time deposits is limited as the counterparties are banks with sound credit standing.

Trade debtors and bills receivables, lease receivables and contract assets

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer rather than the industry or country in which the customers operate and therefore significant concentrations of credit risk primarily arise when the Group has significant exposure to individual customers. At the end of the reporting period, 7% (2020: 7%) and 25% (2020: 27%) of the total trade debtors and bills receivables, lease receivables and contract assets was due from the Group's largest customer and the five largest customers respectively.

Individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Credit terms offered by the Group to its customers are set out in note 17.

The Group measures loss allowances for trade debtors and bills receivables, lease receivables and contract assets at an amount equal to lifetime ECLs, which is calculated using a provision matrix or based on the probability of default with reference to available market information, taking into account any credit enhancement. As the Group's historical credit loss experience indicates different loss patterns for different customer geographical segments, the loss allowance based on past due status is further distinguished between the Group's different customer bases.

29 金融風險管理及金融工具之公平價值

本集團正常業務過程中產生信貸、流動資金、利率及貨幣風險。本集團面對此等風險及本集團使用之金融風險管理政策及慣例載列如下。

(a) 信貸風險

本集團的信貸風險主要來自貿易應收及其他應收款項、租賃應收款以及合約資產。管理層已制訂信貸政策，持續監控該信貸風險。

由於對手方銀行擁有良好信貸評級，故銀行現金、已抵押銀行存款及定期存款之信貸風險屬有限。

貿易應收款項及應收票據、租賃應收款及合約資產

本集團的信貸風險主要受客戶的個別情況影響，而非客戶經營所處行業或國家，因此信貸風險的主要集中部分主要在本集團對個別客戶承擔重大風險時產生。於報告期末，本集團最大及五大客戶的貿易應收款項及應收票據、租賃應收款及合約資產總額分別佔本集團貿易應收款項及應收票據、租賃應收款及合約資產總額的7% (二零二零年：7%)及25% (二零二零年：27%)。

本集團對所有要求超過若干金額信貸的客戶進行個別信貸評估。該等評估針對客戶過往的到期付款記錄及現時的付款能力，並考慮客戶的特定資料，以及與客戶經營所在經濟環境相關的資料。本集團向其客戶提供之信貸條款載於附註17。

本集團貿易應收賬款及應收票據、租賃應收款及合約資產的虧損撥備按等同於全期預期信貸虧損的金額計量，其乃於計及任何信貸增強後經參考可得市場資料，使用撥備矩陣或基於違約概率計算。由於本集團的過往信貸虧損經驗表明不同客戶地區分部會有不同虧損模式，基於逾期狀態的虧損撥備於本集團不同客戶基礎之間進一步區分。

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29 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(a) Credit risk (Continued)

Trade debtors and bills receivables, lease receivables and contract assets (Continued)

The following table provides information about the Group's exposure to credit risk and ECLs for trade debtors and bills receivables, lease receivables and contract assets:

		2021 二零二零年		
		Expected loss rate	Gross carrying amount	Loss allowance
		預期虧損率	賬面總值	虧損撥備
		%	US\$'000	US\$'000
		%	千美元	千美元
<i>Trade debtors and bills receivables:</i>				
	<i>貿易應收款項及應收票據：</i>			
Current (not past due)	即期(未逾期)	0%-30%	38,398	(2,659)
Less than 1 month past due	逾期少於一個月	6.85%-22.76%	2,707	(215)
More than 1 month but within 3 months past due	逾期多於一個月但少於三個月	6.85%-22.76%	1,320	(106)
More than 3 months but within 12 months past due	逾期多於三個月但少於十二個月	6.85%-54.56%	3,175	(743)
More than 12 months but within 24 months past due	逾期多於十二個月但少於二十四個月	6.85%-100%	1,598	(595)
More than 24 months past due	逾期多於二十四個月	16.20%-100%	66,680	(57,672)
			113,878	(61,990)
<i>Lease receivables:</i>				
	<i>租賃應收款：</i>			
Current (not past due)	即期(未逾期)	0%-2.69%	22,678	(166)
Less than 1 month past due	逾期少於一個月	-	1,758	-
			24,436	(166)
			138,314	(62,156)

29 金融風險管理及金融工具之公平價值(續)

(a) 信貸風險(續)

貿易應收款項及應收票據、租賃應收款及合約資產(續)

下表載列本集團就貿易應收款項及應收票據、租賃應收款及合約資產的信貸風險及預期信貸虧損之資料：

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29 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(a) Credit risk (Continued)

Trade debtors and bills receivables, lease receivables and contract assets (Continued)

29 金融風險管理及金融工具之公平價值(續)

(a) 信貸風險(續)

貿易應收款項及應收票據、租賃應收款及合約資產(續)

		2020 二零二零年		
		Expected loss rate	Gross carrying amount	Loss allowance
		預期虧損率	賬面總值	虧損撥備
		%	US\$'000	US\$'000
		%	千美元	千美元
<i>Trade debtors and bills receivables:</i>	<i>貿易應收款項及應收票據：</i>			
Current (not past due)	即期(未逾期)	0%-11.02%	16,169	(790)
Less than 1 month past due	逾期少於一個月	4.05%-42.56%	3,382	(519)
More than 1 month but within 3 months past due	逾期多於一個月但少於三個月	4.05%-42.56%	4,394	(767)
More than 3 months but within 12 months past due	逾期多於三個月但少於十二個月	4.05%-42.56%	16,166	(3,093)
More than 12 months but within 24 months past due	逾期多於十二個月但少於二十四個月	4.48%-100%	5,613	(2,906)
More than 24 months past due	逾期多於二十四個月	14.12%-100%	66,797	(57,242)
			112,521	(65,317)
<i>Lease receivables:</i>	<i>租賃應收款：</i>			
Current (not past due)	即期(未逾期)	0%-2.41%	20,532	(208)
Less than 1 month past due	逾期少於一個月	-	1,957	-
More than 1 month but within 3 months past due	逾期多於一個月但少於三個月	-	3,843	-
More than 3 months but within 12 months past due	逾期多於三個月但少於十二個月	-	5,796	-
			32,128	(208)
Contract assets	合約資產	28.48%	453	(129)
			145,102	(65,654)

Expected loss rates for certain trade debtors and bills receivables, contract assets and lease receivables are based on actual loss experience over the past 4 years. These rates are adjusted to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

若干貿易應收款項及應收票據、合約資產及租賃應收款的預期虧損率乃基於過去四年的實際虧損經驗得出。該等比率已作調整以反映收集過往數據的期間的經濟狀況、目前狀況與本集團對應收款項預計存續期的經濟狀況的意見之差異。

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29 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(a) Credit risk (Continued)

Expected credit losses for certain receivables are determined with reference to the probability of default from available market information.

Movement in the loss allowance account in respect of trade debtors and bills receivables, lease receivables and contract assets during the year is as follows:

		2021 二零二一年				2020 二零二零年			
		Trade debtors and bills receivables	Lease receivables	Contract assets	Total	Trade debtors and bills receivables	Lease receivables	Contract assets	Total
		貿易應收款項及應收票據	租賃應收款	合約資產	總計	貿易應收款項及應收票據	租賃應收款	合約資產	總計
		US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
		千美元	千美元	千美元	千美元	千美元	千美元	千美元	千美元
Balance at 1 January	於一月一日之結餘	65,317	208	129	65,654	61,032	62	7	61,101
Exchange adjustments	匯兌調整	1,292	4	-	1,296	275	6	-	281
(Reversal of impairment losses)/ impairment losses recognised during the year	年內確認之(減值虧損撥回)/減值虧損	(3,243)	(46)	(129)	(3,418)	4,010	140	122	4,272
Write-off during the year	年內撇銷	(1,376)	-	-	(1,376)	-	-	-	-
Balance at 31 December	於十二月三十一日之結餘	61,990	166	-	62,156	65,317	208	129	65,654

There were no significant changes in the gross carrying amounts of trade debtors and bills receivables, lease receivables and contract assets, accordingly, the loss allowance did not change significantly during the years ended 31 December 2021 and 2020.

29 金融風險管理及金融工具之公平價值(續)

(a) 信貸風險(續)

若干應收款的預期信貸虧損乃參考可得市場資料中違約的可能性而釐定。

於本年度，有關貿易應收款項及應收票據，租賃應收款以及合約資產的虧損撥備賬變動如下：

貿易應收款項及應收票據、租賃應收款以及合約資產的賬面總值並無重大變動，因此，虧損撥備於截至二零二一年及二零二零年十二月三十一日年度中並無重大變動。

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29 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(b) Liquidity risk

Individual operating entities within the Group are responsible for their own cash management, including the short term investment of cash surpluses and the raising of loans to cover expected cash demands, subject to approval by the Company's board when the borrowings exceed certain predetermined levels of authority. The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and/or adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

The following tables show the remaining contractual maturities at the end of the reporting period of the Group's non-derivative financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of the reporting period) and the earliest date the Group can be required to pay:

		2021 二零二一年					2020 二零二零年						
		Contractual undiscounted cash outflow 已訂約但未貼現的現金流出					Contractual undiscounted cash outflow 已訂約但未貼現的現金流出						
		Within 1 year or on demand 一年內或 按要求 還款 US\$'000 千美元	More than 1 year but within 2 years 一年以上 但於 兩年內 US\$'000 千美元	More than 2 years but within 5 years 兩年以上 但於 五年內 US\$'000 千美元	Over 5 years 五年以上 US\$'000 千美元	Total 總計 US\$'000 千美元	Carrying amount at 31 December 於十二月 三十一日 的賬面值 US\$'000 千美元	Within 1 year or on demand 一年內或 按要求 還款 US\$'000 千美元	More than 1 year but within 2 years 一年以上 但於 兩年內 US\$'000 千美元	More than 2 years but within 5 years 兩年以上 但於 五年內 US\$'000 千美元	Over 5 years 五年以上 US\$'000 千美元	Total 總計 US\$'000 千美元	Carrying amount at 31 December 於十二月 三十一日 的賬面值 US\$'000 千美元
Trade and other payables	貿易應付及其他應付款項	42,331	-	-	-	42,331	42,331	52,366	-	-	-	52,366	52,366
Lease liabilities	租賃負債	19,065	1,290	954	26	21,335	20,696	23,589	521	804	24,914	24,614	
		61,396	1,290	954	26	63,666	63,027	75,955	521	804	77,280	76,980	

29 金融風險管理及金融工具之公平價值(續)

(b) 流動資金風險

本集團內個別營運企業須自行負責現金管理，包括將現金盈餘作短期投資及籌集貸款以應付預期之現金需求(惟借貸額超過若干預定授權水平則須獲得本公司董事會批准)。本集團之政策為定期監察其流動資金需要及遵守借貸條文，以確保其維持足夠現金儲備及／或來自主要財務機構之承諾資金額度，以應付其長短期之流動資金需要。

下表列示本集團於報告期末在剩餘合約到期的非衍生金融負債(根據合約未貼現現金流量(包括按合約利率或(如屬浮息)根據報告期末當時的利率計算的利息)計算)，以及本集團須償還有關款項的最早日期：

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29 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(c) Interest rate risk

The Group's interest rate risk arises primarily from the Group's cash and cash equivalents, pledged bank deposits and time deposits and lease liabilities. Borrowings/deposits issued at variable rates and at fixed rates expose the Group to cash flow interest rate risk and fair value interest rate risk respectively. The Group does not use financial derivatives to hedge against the interest rate risk. The Group's interest rate profile as monitored by management is set out in (i) below.

(i) Interest rate profile

The following table details the interest rate profile of the Group's net borrowings/(deposits) (being interest-bearing financial liabilities less cash and cash equivalents, pledged bank deposits and time deposits) at the end of the reporting period.

		2021 二零二一年		2020 二零二零年	
		Effective interest rate	US\$'000	Effective interest rate	US\$'000
		實際利率	千美元	實際利率	千美元
Fixed rate borrowings/ (deposits):	定息借貸/(存款)：				
Lease liabilities	租賃負債	3.0%-5.9%	20,696	3.0%-5.9%	24,614
Less: Pledged bank deposits and time deposits	減：已抵押銀行存款 及定期存款	0.35%-1.3%	(1,078)	0.45%-0.70%	(2,277)
			19,618		22,337
Variable rate deposits:	浮息存款：				
Pledged bank deposits and time deposits	已抵押銀行存款 及定期存款	0.23%-0.89%	(773)	0.7%-1.5%	(1,910)
Cash and cash equivalents	現金及現金等值物	0.01%-1.5%	(33,511)	0.01%-1.5%	(22,424)
			(34,284)		(24,334)
Total net deposits	淨存款總額		(14,666)		(1,997)

29 金融風險管理及金融工具之公平價值(續)

(c) 利率風險

本集團的利率風險主要來自本集團現金及現金等值物、已抵押銀行存款及定期存款及租賃負債。按浮動利率及按固定利率計息的借貸/存款分別對本集團構成現金流量利率風險及公平價值利率風險。本集團並無採用金融衍生工具以對沖利率風險。下文(i)載列管理層監管下的本集團利率詳情。

(i) 利率詳情

下表載列本集團於報告期末的借貸/(存款)淨額(即計息金融負債減現金及現金等值物、已抵押銀行存款及定期存款)的利率詳情。

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29 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(c) Interest rate risk (Continued)

(ii) Sensitivity analysis

At 31 December 2021, it is estimated that a general increase of one percentage point in interest rates, with all other variables held constant, would have increased the Group's profit before taxation by approximately \$343,000 (2020: \$243,000). A general decrease of one percentage point in interest rates would have an opposite effect less than the increase as certain variable balances are subject to effective interest rates less than 1%, on the basis that all other variables remain constant.

The sensitivity analysis above indicates the instantaneous change in the Group's profit before taxation that would arise assuming that the change in interest rates had occurred at the end of the reporting period. In respect of the exposure to cash flow interest rate risk arising from floating rate non-derivative instruments held by the Group at the end of the reporting period, the impact on the Group's profit before taxation is estimated as an annualised impact on interest expense or income of such a change interest rates. The analysis is performed on the same basis for 2020.

(d) Currency risk

(i) Forecast transactions

The Group is exposed to currency risk primarily through sales and purchases which give rise to receivables, payables and cash balances that are denominated in a foreign currency, i.e. a currency other than the functional currency of the operations to which they relate. Most of the Group's subsidiaries in the PRC carried out production locally with RMB as functional currency while over 50% of the Group's revenue was denominated in United States dollars. At 31 December 2021 and 2020, no related hedges were made by the Group.

RMB is not freely convertible into foreign currencies. All foreign exchange transactions involving RMB take place through the People's Bank of China or other institutions authorised to buy and sell foreign currencies. The exchange rate adopted for the foreign exchange transactions are the rates of exchange quoted by the People's Bank of China that are determined largely by supply and demand.

29 金融風險管理及金融工具之公平價值(續)

(c) 利率風險(續)

(ii) 敏感度分析

於二零二一年十二月三十一日，在所有其他變數維持不變的情況下，估計利率一般增加一個百分點，將分別增加本集團的除稅前溢利約343,000元(二零二零年：243,000元)。假設所有其他變數維持不變，利率一般減少一個百分點，將產生小於增加之反向影響，因為若干浮息結餘的實際利率低於1%。

以上敏感度分析闡示本集團除稅前溢利在假設利率變動於報告期末已發生的情況下所產生的即時變動。就本集團因持有浮息非衍生工具於報告期末承受的現金流利率風險而言，對本集團除稅前溢利的影響乃以該等利率變動對利息收支的整年影響作估計。分析乃按二零二零年相同的基準進行。

(d) 貨幣風險

(i) 預測交易

本集團面對之貨幣風險主要來自導致應收款項、應付款項及現金結餘之買賣，該等買賣以與營運相關之功能性貨幣以外貨幣計值。本集團大部分中國附屬公司在當地進行的生產活動乃以人民幣為功能性貨幣，而本集團超過50%之收益乃以美元計值。於二零二一年及二零二零年十二月三十一日，本集團並無作出相關對沖。

人民幣不可自由兌換成外幣。所有涉及人民幣的外匯交易均須通過中國人民銀行或其他獲授權買賣外匯的機構進行。外匯交易匯率採用中國人民銀行所報的匯率進行，而該等匯率主要按供求釐定。

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29 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(d) Currency risk (Continued)

(ii) Exposure to currency risk

The following table details the Group's exposure at the end of the reporting period to currency risk arising from recognised assets or liabilities denominated in a currency other than the functional currency of the entity to which they relate. For presentation purposes, the amounts of the exposure are shown in United States dollars, translated using the spot rate at the year end date. Differences resulting from the translation of the financial statements of foreign operations into the Group's presentation currency are excluded.

		2021 二零二一年 US\$'000 千美元	2020 二零二零年 US\$'000 千美元
Trade and other receivables	貿易應收及其他應收款項	7,462	8,305
Cash and cash equivalents	現金及現金等值物	2,017	6,878
Trade and other payables	貿易應付及其他應付款項	(3)	(21)
Net exposure arising from recognised assets and liabilities	已確認資產及負債產生之風險淨額	9,476	15,162

(iii) Sensitivity analysis

The following table indicates the instantaneous change in the Group's profit before taxation that would arise if foreign exchange rates to which the Group has significant exposure at the end of the reporting period had changed at that date, assuming all other risk variables remained constant.

		2021 二零二一年		2020 二零二零年	
		Increase/ (decrease) in foreign exchange rates 外幣匯率 增加/(減少)	Increase/ (decrease) in profit before taxation 除稅前溢利 增加/(減少) US\$'000 千美元	Increase/ (decrease) in foreign exchange rates 外幣匯率 增加/(減少)	Increase/ (decrease) in profit before taxation 除稅前溢利 增加/(減少) US\$'000 千美元
United States dollars	美元	5% (5)%	474 (474)	5% (5)%	758 (758)

29 金融風險管理及金融工具之公平價值(續)

(d) 貨幣風險(續)

(ii) 須面臨的貨幣風險

下表載列本集團於報告期末之以實體有關功能貨幣以外之貨幣計值已確認資產或負債面對之貨幣風險。就呈列目的而言，有關風險金額以美元計值，並於年結日以即期匯率兌換。不包括由海外營運財務報表換算成本集團呈列貨幣之差異。

Exposure to United States dollars
(expressed in United States dollars)
美元風險
(以美元呈列)

	2021 二零二一年 US\$'000 千美元	2020 二零二零年 US\$'000 千美元
Trade and other receivables	7,462	8,305
Cash and cash equivalents	2,017	6,878
Trade and other payables	(3)	(21)
Net exposure arising from recognised assets and liabilities	9,476	15,162

(iii) 敏感度分析

下表說明倘本集團於報告期末面對重大風險之外幣匯率於該日變動並假設所有其他風險因素維持不變時本集團之除稅前溢利可能產生之即時變動。

		2021 二零二一年		2020 二零二零年	
		Increase/ (decrease) in foreign exchange rates 外幣匯率 增加/(減少)	Increase/ (decrease) in profit before taxation 除稅前溢利 增加/(減少) US\$'000 千美元	Increase/ (decrease) in foreign exchange rates 外幣匯率 增加/(減少)	Increase/ (decrease) in profit before taxation 除稅前溢利 增加/(減少) US\$'000 千美元
United States dollars	美元	5% (5)%	474 (474)	5% (5)%	758 (758)

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29 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(d) Currency risk (Continued)

(iii) Sensitivity analysis (Continued)

Results of the analysis as presented in the above table represent an aggregation of the instantaneous effects on each of the Group entities' profit before taxation measured in the respective functional currencies, translated into United States dollars at the exchange rate ruling at the end of the reporting period for presentation purposes.

The sensitivity analysis assumes that the change in foreign exchange rates had been applied to re-measure those financial instruments held by the Group which expose the Group to foreign currency risk at the end of the reporting period. The analysis excludes differences that would result from the translation of the financial statements of foreign operations into the Group's presentation currency. The analysis is performed on the same basis for 2020.

(e) Estimation of fair values

The carrying amounts of the Group's financial instruments carried at amortised cost were not materially different from their fair values as at 31 December 2021 and 2020.

30 MATERIAL RELATED PARTY TRANSACTIONS

In addition to the transactions and balances disclosed elsewhere in these financial statements, the Group entered into the following related party transactions.

(a) Key management personnel remuneration

Remuneration for key management personnel of the Group, including amounts paid to the Company's directors as disclosed in note 7 and all of the highest paid employees as disclosed in note 8, is as follows:

		2021 二零二一年 US\$'000 千美元	2020 二零二零年 US\$'000 千美元
Salaries and other emoluments	薪酬及其他酬金	1,726	1,311
Equity-settled share-based payment	以權益結算以股份為基礎之付款	154	-
Retirement scheme contributions	退休計劃供款	17	17
		1,897	1,328

Total remuneration is included in "staff costs" (see note 5(b)).

29 金融風險管理及金融工具之公平價值(續)

(d) 貨幣風險(續)

(iii) 敏感度分析(續)

上表呈列之分析結果指本集團各實體之除稅前溢利以各自之功能貨幣計值於為呈列目的而按報告期末之匯率兌換成美元後之即時影響總額。

敏感度分析假設外幣匯率變動已應用至重新計算本集團持有之金融工具，而該等金融工具使本集團於報告期末面對外匯風險。分析不包括換算海外業務財務報表至本集團呈列貨幣時可能出現之差額。分析乃按二零二零年相同的基準進行。

(e) 公平價值估量

本集團以攤銷成本列賬的金融工具之賬面值與彼等於二零二一年及二零二零年十二月三十一日之公平價值並無重大差異。

30 重大關連人士交易

除該等財務報表其他部分所披露的交易及結餘外，本集團亦訂立以下關連人士交易。

(a) 主要管理人員酬金

下表載列本集團主要管理人員酬金，包括支付予附註7所披露的本公司董事及附註8所披露的所有最高薪僱員的金額：

酬金總額計入「僱員成本」(見附註5(b))。

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30 MATERIAL RELATED PARTY TRANSACTIONS

(Continued)

(b) Transactions with related companies

The Group entered into the following related party transactions with fellow subsidiaries:

		2021 二零二一年 US\$'000 千美元	2020 二零二零年 US\$'000 千美元
Sales of capital equipment and packages	資本設備及總包銷售	1,157	563
Service expenses	服務開支	31	-
Lease rentals paid	已付租金	335	-

In the opinion of the Company's directors, the above transactions were carried out on normal commercial terms and in the ordinary course of business.

(c) Applicability of the Listing Rules relating to connected transactions

All of the transactions disclosed in note 30(b) constitute connected transactions/continuing connected transactions as defined in Chapter 14A of the Listing Rules. Among these, services expenses of \$31,000 are exempted from the disclosure requirements in Chapter 14A of the Listing Rules as they are below the de minimis threshold under Rule 14.76(1).

30 重大關連人士交易(續)

(b) 與關聯公司之交易

本集團同系附屬公司訂立以下關連人士交易：

	2021 二零二一年 US\$'000 千美元	2020 二零二零年 US\$'000 千美元
Sales of capital equipment and packages	1,157	563
Service expenses	31	-
Lease rentals paid	335	-

本公司董事認為，上述交易乃於正常業務過程中按一般商業條款進行。

(c) 有關關連交易之上市規則之適用性

上述附註30(b)中披露的所有交易根據上市規則第14A章之定義構成關連交易／持續關連交易。其中，31,000元的服務開支獲豁免遵守上市規則第14A章項下之披露規定，因為彼等低於上市規則第14.76(1)條項下之最低閾值。

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31 COMPANY-LEVEL STATEMENT OF FINANCIAL POSITION

31 公司級財務狀況表

		Note	2021 二零二一年 US\$'000 千美元	2020 二零二零年 US\$'000 千美元
		附註		
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備		34	145
Intangible assets	無形資產		195	228
Investments in subsidiaries	於附屬公司之投資		5,486	5,486
Amounts due from subsidiaries	應收附屬公司款項		124,673	126,490
			130,388	132,349
Current assets	流動資產			
Other receivables, prepayments and deposits	其他應收款項、預付款及按金		101	106
Cash and cash equivalents	現金及現金等值物		520	5,401
			621	5,507
Current liabilities	流動負債			
Other payables and accrued charges	其他應付款項及應計開支		1,261	1,326
Amounts due to subsidiaries	應付附屬公司款項		1,460	2,888
			2,721	4,214
Net current (liabilities)/assets	流動(負債)/資產淨值		(2,100)	1,293
NET ASSETS	資產淨值		128,288	133,642
CAPITAL AND RESERVES	資本及儲備	28(a)		
Share capital	股本		41,418	41,418
Reserves	儲備		86,870	92,224
TOTAL EQUITY	權益總額		128,288	133,642

32 COMMITMENTS

During the year ended 31 December 2021, the Group entered into an agreement with a third party to establish an associate in the Mainland China with a purpose to develop products in relation to hydrogen energy. As at 31 December 2021, the Group committed to contribute cash of RMB30,000,000 (equivalent to approximately \$4,713,000) to this new associate as capital.

32 承擔

於截至二零二一年十二月三十一日止年度，本集團與一名第三方訂立協議於中國內地成立聯營公司，以開發有關氫能之產品。於二零二一年十二月三十一日，本集團承諾向該新聯營公司注入現金人民幣30,000,000元(相當於約4,713,000元)作為資本。

33 IMMEDIATE AND ULTIMATE CONTROLLING PARTY

At 31 December 2021, the directors consider the immediate parent and ultimate controlling party of the Group to be Prime Force Investment Corporation and China Merchants Group Limited, which are incorporated in the British Virgin Islands and the PRC, respectively. None of them produce financial statements available for public use.

33 直接及最終控制方

於二零二一年十二月三十一日，董事認為本集團之直接母控制方及最終控制方為Prime Force Investment Corporation及招商局集團有限公司，兩者分別於英屬處女群島及中國註冊成立。彼等概無編製可供公眾取用之財務報表。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in United States dollars unless otherwise indicated) (除非另有說明，以美元表示)

34 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2021

Up to the date of issue of these financial statements, the HKICPA has issued a number of amendments, and a new standard, HKFRS 17, *Insurance contracts*, which are not yet effective for the year ended 31 December 2021 and which have not been adopted in these financial statements. These developments include the following which may be relevant to the Group.

34 截至二零二一年十二月三十一日止年度已頒佈但未生效的修訂、新準則及詮釋的可能影響

直至該等財務報表發出日期，香港會計師公會頒佈了於截至二零二一年十二月三十一日止年度尚未生效的多項修訂及一項新準則香港財務報告準則第17號保險合約，而本集團並未於該等財務報表內採納。該等修訂及新準則包括以下與本集團相關者。

	Effective for accounting periods beginning on or after 於下列日期或之後 開始的會計期間生效
Amendments to HKFRS 3, <i>Reference to the Conceptual Framework</i> 香港財務報告準則第3號的修訂本，對概念框架的提述	1 January 2022 二零二二年一月一日
Amendments to HKAS 16, <i>Property, Plant and Equipment: Proceeds before Intended Use</i> 香港會計準則第16號的修訂本，物業、廠房及設備：作擬定用途前之所得款項	1 January 2022 二零二二年一月一日
Amendments to HKAS 37, <i>Onerous Contracts – Cost of Fulfilling a Contract</i> 香港會計準則第37號的修訂本，有償合約 – 履行合約的成本	1 January 2022 二零二二年一月一日
Annual Improvements to HKFRSs 2018–2020 Cycle 香港財務報告準則二零一八年至二零二零年週期之年度改進	1 January 2022 二零二二年一月一日
Amendments to HKAS 1, <i>Classification of liabilities as current or non-current</i> 香港會計準則第1號的修訂本，負債分類為流動或非流動	1 January 2023 二零二三年一月一日
Amendments to HKAS 1 and HKFRS Practice Statement 2, <i>Disclosure of accounting policies</i> 香港會計準則第1號及香港財務報告準則第2號的修訂本，會計政策披露	1 January 2023 二零二三年一月一日
Amendments to HKAS 8, <i>Definition of accounting estimates</i> 香港會計準則第8號的修訂本，會計估計的定義	1 January 2023 二零二三年一月一日
Amendments to HKAS 12, <i>Deferred tax related to assets and liabilities arising from a single transaction</i> 香港會計準則第12號的修訂本，與單一交易產生的資產及負債相關的遞延稅項	1 January 2023 二零二三年一月一日

The Group is in the process of making an assessment of what the impact of these developments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements.

本集團正評估該等修訂及新準則預期於首次應用期間的影響。迄今之結論為，應用該等修訂及新準則不大可能對本集團的綜合財務報表構成重大影響。

BOARD OF DIRECTORS

Executive Directors

Mr. Jiang Bing Hua (*Chief Executive Officer*)
Mr. Zhang Menggui, Morgan

Non-executive Directors

Mr. Lou Dongyang (*Chairman*)
Mr. Wang Jianzhong
Ms. Fu Rui
Mr. Liu Jiancheng
Mr. Huang Jin

Independent Non-executive Directors

Mr. Chan Ngai Sang, Kenny
Mr. Zou Zhendong
Mr. Chen Weidong
Mr. Sun Dongchang

COMPLIANCE OFFICER

Mr. Zhang Menggui, Morgan

CHIEF FINANCIAL OFFICER

Mr. Xie Shaohua

COMPANY SECRETARY

Ms. Koo Ching Fan

AUTHORISED REPRESENTATIVES

Mr. Zhang Menggui, Morgan
Mr. Jiang Bing Hua

AUDIT COMMITTEE

Mr. Chan Ngai Sang, Kenny (*Chairman*)
Mr. Zou Zhendong
Mr. Chen Weidong

REMUNERATION COMMITTEE

Mr. Zou Zhendong (*Chairman*)
Mr. Jiang Bing Hua
Mr. Chan Ngai Sang, Kenny
Mr. Chen Weidong
Mr. Lou Dongyang

NOMINATION COMMITTEE

Mr. Lou Dongyang (*Chairman*)
Mr. Zhang Menggui, Morgan
Mr. Chan Ngai Sang, Kenny
Mr. Zou Zhendong
Mr. Chen Weidong

COMPLIANCE COMMITTEE

Mr. Lou Dongyang (*Chairman*)
Mr. Chan Ngai Sang, Kenny
Mr. Chen Weidong
Mr. Ma Yaohui

董事會

執行董事

蔣秉華先生(*首席執行官*)
張夢桂先生

非執行董事

婁東陽先生(*主席*)
王建中先生
傅銳女士
劉建成先生
黃晉先生

獨立非執行董事

陳毅生先生
鄒振東先生
陳衛東先生
孫東昌先生

監察主任

張夢桂先生

首席財務官

謝少華先生

公司秘書

顧菁芬女士

獲授權代表

張夢桂先生
蔣秉華先生

審核委員會

陳毅生先生(*主席*)
鄒振東先生
陳衛東先生

薪酬委員會

鄒振東先生(*主席*)
蔣秉華先生
陳毅生先生
陳衛東先生
婁東陽先生

提名委員會

婁東陽先生(*主席*)
張夢桂先生
陳毅生先生
鄒振東先生
陳衛東先生

監察委員會

婁東陽先生(*主席*)
陳毅生先生
陳衛東先生
馬耀輝先生

CORPORATE INFORMATION

公司資料

REGISTERED OFFICE

Cricket Square Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room A, 31/F, Tower 2
Kowloon Commerce Centre
No. 51 Kwai Cheong Road
Kwai Chung, N.T.
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Conyers Trust Company (Cayman) Limited
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

HONG KONG SHARE REGISTRAR

Tricor Investor Services Limited
Level 54, Hopewell Centre
183 Queen's Road East
Hong Kong

PLACE OF LISTING AND DATE OF LISTING

The Stock Exchange of Hong Kong Limited
28 November 2005

PUBLIC AND INVESTOR RELATIONS

The Company
Email: ir@cmicholding.com
Phone: +852 2857 3667
Fax: +852 2857 3381

TOTAL NUMBER OF ISSUED SHARES

3,243,433,914 shares as at 31 December 2021

AUDITORS

KPMG, Public Interest Entity Auditor registered in accordance with the Financial Reporting Council Ordinance

WEBSITE

www.cmicholding.com

STOCK CODE

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註冊辦事處

Cricket Square Hutchins Drive
P.O. Box 2681
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Cayman Islands

香港主要營業地點

香港
新界葵涌
葵昌路51號
九龍貿易中心
2座31樓A室

主要股份過戶登記處

Conyers Trust Company (Cayman) Limited
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

香港股份過戶登記處

卓佳證券登記有限公司
香港
皇后大道東183號
合和中心54樓

上市地點及上市日期

香港聯合交易所有限公司
二零零五年十一月二十八日

公共及投資者關係

本公司
電郵: ir@cmicholding.com
電話: +852 2857 3667
傳真: +852 2857 3381

已發行股份總數

於二零二一年十二月三十一日為3,243,433,914股

核數師

畢馬威會計師事務所(於《財務匯報局條例》下的註冊公眾利益實體核數師)

網址

www.cmicholding.com

股份代號

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