



Jianzhong Construction Development Limited 建中建設發展有限公司

(Incorporated in the Cayman Islands with limited liability)
(於開曼群島註冊成立的有限公司)

Stock Code 股份代號: 589



2021

INTERIM REPORT
中期報告



CONTENTS 目錄

Corporate Information 公司資料	2
Financial Highlights 財務摘要	4
Management Discussion and Analysis 管理層討論與分析	6
Corporate Governance and Other Information 企業管治及其他資料	24
Review Report of Interim Financial Report 中期財務報告審閱報告	30
Consolidated Statement of Profit or Loss 綜合損益表	31
Consolidated Statement of Profit or Loss and Other Comprehensive Income 綜合損益及其他全面收益表	32
Consolidated Statement of Financial Position 綜合財務狀況表	33
Consolidated Statement of Changes in Equity 綜合權益變動表	35
Condensed Consolidated Cash Flow Statement 簡明綜合現金流量表	36
Notes to the Interim Financial Report 中期財務報告附註	37

CORPORATE INFORMATION

公司資料

DIRECTORS

Executive Directors

Mr. Xun Minghong (*Chairman*)
Mr. He Wenlin
Ms. Zheng Ping

Non-executive Directors

Mr. Yang Kaifa
Mr. Wang Wei
(appointed on 30 March 2021)
Mr. Xun Liangbao
Mr. Zeng Guohua
(resigned on 30 March 2021)

Independent Non-executive Directors

Mr. Sze Irons, B.B.S., J.P.
Mr. Wong Kun Kau
Mr. Zhu Diwu

JOINT COMPANY SECRETARY

Mr. Chan Sun Kwong
Mr. Ma Chun Kei

AUDIT COMMITTEE

Mr. Wong Kun Kau (*Chairman*)
Mr. Sze Irons, B.B.S., J.P.
Mr. Zhu Diwu

REMUNERATION COMMITTEE

Mr. Zhu Diwu (*Chairman*)
Mr. Wong Kun Kau
Mr. Sze Irons, B.B.S., J.P.
Mr. Xun Minghong

NOMINATION COMMITTEE

Mr. Sze Irons, B.B.S., J.P. (*Chairman*)
Mr. Wong Kun Kau
Mr. Zhu Diwu
Mr. Xun Minghong

RISK MANAGEMENT REVIEW COMMITTEE

Mr. Xun Minghong (*Chairman*)
Mr. Wong Kun Kau
Mr. Xun Liangbao
Mr. Ma Chun Kei

REGISTERED OFFICE

Suite #4-210, Governors Square
23 Lime Tree Bay Avenue
PO Box 32311, Grand Cayman
KYI-1209, Cayman Islands

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

2002, Jinlan Building
No. 33 Zhaoqiang Road
Mawei District, Fuzhou City
Fujian Province
China

董事

執行董事

荀名紅先生 (*主席*)
何文林先生
鄭萍女士

非執行董事

楊開發先生
王偉先生
(於2021年3月30日獲委任)
荀良寶先生
曾國華先生
(於2021年3月30日辭任)

獨立非執行董事

施榮懷先生 (銅紫荊星章, 太平紳士)
黃灌球先生
朱地武先生

聯席公司秘書

陳晨光先生
馬濬琦先生

審核委員會

黃灌球先生 (*主席*)
施榮懷先生 (銅紫荊星章, 太平紳士)
朱地武先生

薪酬委員會

朱地武先生 (*主席*)
黃灌球先生
施榮懷先生 (銅紫荊星章, 太平紳士)
荀名紅先生

提名委員會

施榮懷先生 (銅紫荊星章, 太平紳士) (*主席*)
黃灌球先生
朱地武先生
荀名紅先生

風險管理審核委員會

荀名紅先生 (*主席*)
黃灌球先生
荀良寶先生
馬濬琦先生

註冊辦事處

Suite #4-210, Governors Square
23 Lime Tree Bay Avenue
PO Box 32311, Grand Cayman
KYI-1209, Cayman Islands

中國總部及主要營業地點

中國
福建省
福州市馬尾區
兆鏘路33號
金瀾大廈2002室

PRINCIPAL PLACE OF BUSINESS IN HONG KONG REGISTERED UNDER PART 16 OF THE COMPANY ORDINANCE

Room No. 1818, 18/F
Beverly Commercial Centre
87-105 Chatham Road South
Tsim Sha Tsui
Kowloon
Hong Kong

LEGAL ADVISER AS TO HONG KONG LAWS

Deacons

COMPLIANCE ADVISER

VMS Securities Limited

AUDITOR

KPMG

(Public Interest Entity Auditor registered in accordance with the Financial Reporting Council Ordinance)

PRINCIPAL BANKS

China Construction Bank
(Fuzhou City North Branch)
Xiamen International Bank
(Fuzhou Branch)
Quanzhou Bank Co., Ltd.
(Fuzhou City Taijiang Branch)
Industrial Bank Co., Ltd.
(Pilot Free Trade Zone,
Fuzhou City Branch)
Bank of China
(Fuzhou City Cangshan Branch)
Bank of Dongguan Co., Ltd.
(Changsha Branch)
China Merchants Bank Co., Ltd.
(Fuzhou City Dongjiekou Branch)

CAYMAN ISLANDS PRINCIPAL SHARE REGISTERED AND TRANSFER OFFICE

Osiris International Cayman Limited
Suite #4-210, Governors Square
23 Lime Tree Bay Avenue
PO Box 32311, Grand Cayman
KYI-1209, Cayman Islands

HONG KONG SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
Level 54, Hopewell Centre
183 Queen's Road East
Hong Kong

STOCK CODE

589

WEBSITE

www.fjjzkj.com

根據公司條例第16部登記之香港主要營業地點

香港
九龍
尖沙咀
漆咸道南87-105號
百利商業中心
18樓1818室

有關香港法律的法律顧問

的近律師行

合規顧問

鼎珮證券有限公司

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)

主要往來銀行

中國建設銀行
(福州城北支行)
廈門國際銀行
(福州分行)
泉州銀行股份有限公司
(福州台江支行)
興業銀行股份有限公司
(福建自貿試驗區福州片區分行)
中國銀行
(福州倉山支行)
東莞銀行股份有限公司
(長沙分行)
招商銀行股份有限公司
(福州東街口支行)

開曼群島股份過戶登記總處

Osiris International Cayman Limited
Suite #4-210, Governors Square
23 Lime Tree Bay Avenue
PO Box 32311, Grand Cayman
KYI-1209, 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

股份代號

589

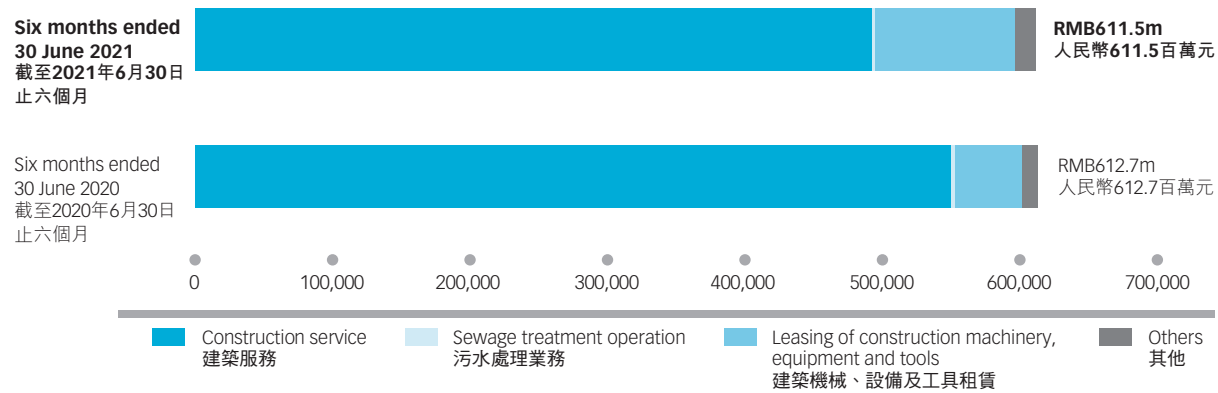
網站

www.fjjzkj.com

FINANCIAL HIGHLIGHTS

財務摘要

REVENUE 收益

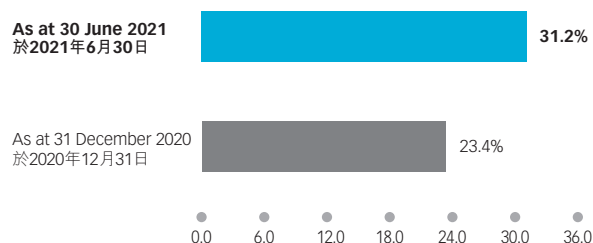


GROSS PROFIT MARGINS 毛利率

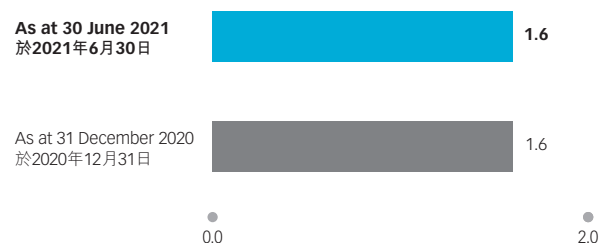
%		Six months ended 30 June (截至6月30日止六個月)	
		2021 (2021年)	2020 (2020年)
	Construction Service (建築服務)	11.8	25.7
	Leasing of construction machinery, equipment and tools (建築機械、設備及工具租賃)	36.4	40.4
	Sewage Treatment Operation (污水處理業務)	24.0	13.3
	Others (其他)	4.0	6.5
	Overall (整體)	15.7	26.5

KEY FINANCIAL RATIOS 主要財務比率

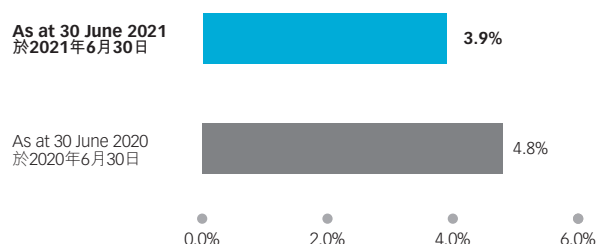
GEARING RATIO 資本負債比率⁽¹⁾



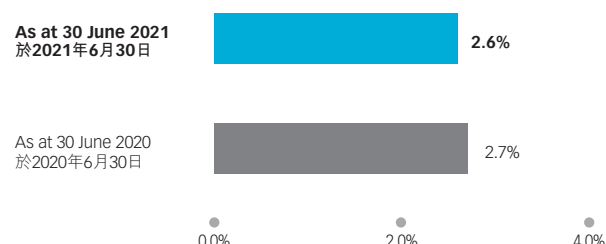
CURRENT RATIO 流動比率⁽²⁾



RETURN ON EQUITY 權益回報率⁽³⁾



RETURN ON TOTAL ASSETS 總資產回報率⁽⁴⁾



Notes:

附註：

- 1) Gearing ratio is calculated based on the net debts (including interest-bearing loans and borrowings, and payables for acquisition of equipment by instalments, less cash and cash equivalents) divided by the equity as at the end of reporting period and multiplied by 100%.
資本負債比率乃按淨負債(包括計息貸款及借款以及以分期付款購入設備的應付款項減現金及現金等價物)除以截至報告期末的權益再乘以100%計算得出。
- 2) Current ratio equals current assets divided by current liabilities.
流動比率等於流動資產除以流動負債。
- 3) Return on equity equals profit for the year divided by the closing balance of total equity and multiplied by 100%.
權益回報率等於年內溢利除以權益總額年終結餘再乘以100%計算得出。
- 4) Return on total assets equals profit for the year divided by the closing balance of total assets and multiplied by 100%.
總資產回報率等於年內溢利除以資產總值年終結餘再乘以100%計算得出。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

BUSINESS REVIEW

Jianzhong Construction Development Limited (the “**Company**”) and its subsidiaries (collectively the “**Group**”) is a construction services provider based in Fujian Province, the People’s Republic of China (the “**PRC**”). The construction services provided by the Group include general construction works as a main contractor and sub-contractor works (such as foundation works, formwork and scaffolding works and other construction works). The Group also has an extensive fleet of construction machinery and equipment, which enables itself to handle complicated and/or sizable construction works, thus allowing itself to capture more opportunities in the construction market and engage in construction machinery, equipment and tools leasing services. The Group also operates a sewage treatment plant and engages in the sales of construction materials and others. The Group has developed as a regional construction works service provider in Fujian and has further extended the footprint across a number of other provinces in the PRC.

During the six months ended 30 June 2021, the Group is more cautious in assessing the expected credit losses in respect of trade receivables, bill receivables and contract assets given current economic environment and tightened credit policy towards property developers. The Group has tendered for new construction projects from customers that the management considers to have good financial standing, which led to a decline in sub-contractor business. On the other hand, the Group has secured new contracts in main contractor business after obtaining a second class license of main contractor in general construction works in September 2020. Despite a lower gross profit margin, the new business provided an opportunity to the Group to establish direct business relationship with property developers and to better manage the corresponding credit risk arising from the business transactions with property developers. The aforementioned developments led to the decrease in revenue from construction service by approximately RMB57.9 million, or approximately 10.5%, as compared to the corresponding period in 2020, from approximately RMB549.9 million to approximately RMB492.0 million.

Moreover, with the aim to balance the source of revenue, the Group has secured more leasing contracts during the six months ended 30 June 2021, which led to the increase in revenue from leasing of construction machinery, equipment and tools by approximately RMB51.9 million, or approximately 105.3%, as compared to the corresponding period in 2020, from approximately RMB49.3 million to approximately RMB101.2 million.

To improve the Group’s liquidity position and the utilisation rate of the fixed assets, the Group has disposed of certain unutilised tools (mainly H-piles and Larssen sheet piles) in the six months ended 30 June 2021, which led to the increase in other net income by approximately RMB34.4 million, as compared to the corresponding period in 2020, from approximately RMB7.8 million to approximately RMB42.2 million.

業務回顧

建中建設發展有限公司(「**本公司**」)及其附屬公司(統稱「**本集團**」)為一家建築服務提供商，總部位於中華人民共和國(「**中國**」)福建省。本集團提供的建築服務主要包括建築工程施工總承包及分包工程(例如地基工程、模板及腳手架工程及其他建築工程)。本集團亦擁有種類齊全的建築機械及設備，能夠處理複雜及／或大型建築工程，有利於搶佔更多建築市場商機及從事建築機械、設備及工具租賃服務。本集團亦經營污水處理廠以及從事銷售建築材料等。本集團發展成為福建省的區域性建築工程服務提供商，並進一步將業務範圍擴展至中國其他多個省份。

截至2021年6月30日止六個月，鑑於當前經濟環境及對物業開發商的收緊信貸政策，本集團於評估貿易應收款項、應收票據及合約資產的預期信貸損失時更加謹慎。本集團已向管理層認為具備良好財務狀況的客戶投標新建項目，導致分包業務減少。另一方面，於2020年9月獲得建築工程施工總承包二級牌照後，本集團已取得總承包業務的新合約。儘管毛利率較低，惟新業務為本集團提供與物業開發商建立直接業務關係的機會，可更好地管理與物業開發商的業務交易產生的相應信貸風險。上述發展導致建築服務收益較2020年同期約人民幣549.9百萬元減少約人民幣57.9百萬元或約10.5%至約人民幣492.0百萬元。

此外，為平衡收入來源，本集團於截至2021年6月30日止六個月取得更多租賃合約，導致建築機械、設備及工具租賃收益由2020年同期的約人民幣49.3百萬元增加約人民幣51.9百萬元或約105.3%至約人民幣101.2百萬元。

為改善本集團的流動資金狀況及固定資產利用率，本集團已於截至2021年6月30日止六個月出售若干未利用工具(主要為H型樁及拉森鋼板樁)，導致其他淨收入較2020年同期約人民幣7.8百萬元增加約人民幣34.4百萬元至約人民幣42.2百萬元。

PROSPECTS

The construction industry in the PRC is highly fragmented and there are opportunities for the Group to further develop its businesses. However, given current economic environment and tightened credit policy towards property developers, the operating environment of the Group will continue to be challenging. The Group will continue to manage credit risk and balance the source of revenue in order to develop a more sustainable business and bring greater value to the shareholders.

PRINCIPAL RISKS AND UNCERTAINTIES

A number of factors may affect the results and business operations of the Group, major risks are summarised below:

i) Non-recurrent nature of the projects

The Group is principally engaged in the provision of construction works service. The construction services are offered on a project-by-project basis with no long-term commitment with any of the customers in this segment. Upon the completion of the ongoing construction works projects, the Group may not be engaged by the customer in subsequent construction works projects. As such, the revenue attributable to the construction works service is not recurring in nature.

In the event that the Group are unable to attract new customers or secure new construction works projects from existing customers, the Group's revenue or profit may decrease significantly and this would adversely affecting the business, financial condition or results of operations of the Group.

ii) Fluctuation in cost of materials

Since the contract value of each of the construction projects are generally pre-determined when a project is awarded, any substantial increase in the material cost between the time of submission of a tender or quotation and the time when the relevant materials are purchased will substantially increase the material cost and may materially and adversely affect the profitability, results of operations and financial condition of the Group.

展望

中國建築行業高度分散，本集團有機會進一步發展其業務。然而，鑑於當前經濟環境及對物業開發商的收緊信貸政策，本集團的經營環境將繼續充滿挑戰。本集團將繼續管理信貸風險及平衡收入來源，以發展更可持續的業務，為股東帶來更大價值。

主要風險及不確定性因素

若干因素或會影響本集團的業績及業務經營，主要風險概述如下：

i) 項目的非經常性質

本集團主要提供建築工程服務。建築服務乃按逐個項目基準提供，並與該分部任何客戶之間並無任何長期承諾。於該等在建築工程項目完工後，客戶可能不會委聘本集團實施後續建築工程項目。因此，建築工程服務應佔收益不屬於經常性性質。

倘本集團無法吸引新客戶或自現有客戶取得新建築工程項目，本集團的收益或利潤可能大幅降低，且此將對本集團的業務、財務狀況或經營業績產生不利影響。

ii) 材料成本波動

由於各個建築項目的合約價值通常在我們獲授項目時預先釐定，因此我們投標或報價時及於採購相關材料時的材料成本的任何大幅增加將令我們的材料成本大幅增加並可能對本集團的盈利能力、經營業績及財務狀況造成重大不利影響。

Management Discussion and Analysis

管理層討論與分析

iii) Availability and performance of labour subcontractors

The Group has to engage a number of labour subcontractors to provide the Group with a large number of construction workers with different expertise and skill sets to carrying out the construction works. In the event that the labour market conditions result in shortage of labour or material increase in labour costs, the Group may need to offer more competitive labour subcontracting fees so as to attract and maintain a reliable supply of construction workers. Such events could impact the profitability and financial performance of the Group.

iv) Delays and/or defaults of progress payments by the customers

The Group generally receive payment from customers in stages based on the terms of the construction contracts. Significant portions of the operating costs, setting-up expenses associated with a project, including labour and material costs, at the initial stage of a project are incurred before any progress payment made by the customers. As a result, there may be periods during which the Group may experience net cash outflows for a particular project as well as on an overall basis. Therefore, the Group are constantly subject to credit and liquidity risks, which may materially and adversely affect the profitability, result of operations and financial position of the Group.

v) Macroeconomics in the PRC

Any adverse change in the economic condition in the PRC may directly or indirectly affect the demand for the services provided by the Group, and the business operations and financial condition may also be materially and adversely affected as a result.

Should there be an economic downturn or credit crisis in the PRC for any reason, the Group may not be able to borrow new funds, which in turn could materially and adversely affect the results of operations and financial condition of the Group. Moreover, apart from the access to funds, an economic downturn or credit crisis will also affect the liquidity of the customers. As a result, the recoverability of the Group's account receivables may be adversely affected.

iii) 勞務分包商的可得性及表現

本集團必須委聘若干勞務分包商以為本集團提供大量具備不同專長及技能組合的建築工人以實施建築工程。倘勞工市場的狀況導致勞工短缺或勞工成本大幅上漲，本集團或需提供更具競爭力的勞務分包費，以招攬及維持穩定的建築工人供應。該等事項可能影響本集團的盈利能力及財務表現。

iv) 客戶延期支付及／或拖欠工程進度款

本集團一般根據建築合約條款按階段向客戶收款，在項目最初階段及客戶作出任何進度付款前，與項目相關的大幅經營成本、啟動開支（包括勞務及材料成本）可能產生。因此，在某段時期，本集團可能會遭遇個別項目以及所有項目現金淨流出。因此，本集團經常性面臨信貸及流動資金風險，從而可能對本集團的盈利能力、經營業績及財務狀況造成重大不利影響。

v) 中國宏觀經濟

中國經濟狀況的任何不利變化都可能直接或間接地影響對本集團所提供的服務的需求，而業務運營及財務狀況也可能因此而受到重大不利影響。

倘中國因任何原因出現經濟衰退或信貸危機，本集團可能無法借得新資金，進而可能對本集團的經營業績及財務狀況造成重大不利影響。此外，除了影響我們的融資以外，經濟衰退或信貸危機亦會影響客戶的流動資金。因此，本集團應收賬款的可回收性可能受到不利影響。

SEGMENT INFORMATION

The Group's reportable and operating segments are as follows:

- i) Provision of construction service (“**Construction service**”);
- ii) Provision of leasing services of construction machinery, equipment and tools (“**Leasing of construction machinery, equipment and tools**”);
- iii) Provision of sewage treatment service (“**Sewage treatment operation**”); and
- iv) Sales of construction materials and others (“**Others**”).

Details of the segmental information of the Group is disclosed in note 2 to the interim financial report.

FINANCIAL REVIEW

Revenue

During the six months ended 30 June 2021, the overall revenue of the Group has slightly decreased by approximately RMB1.2 million, or approximately 0.2%, as compared to the corresponding period in 2020, from approximately RMB612.7 million to approximately RMB611.5 million.

The Construction service segment continued to be the largest business segment of the Group in terms of revenue during the periods under review, which accounted for approximately 80.4% (six months ended 30 June 2020: approximately 89.7%) of the Group's total revenue. The revenue from Construction service decreased by approximately RMB57.9 million, or approximately 10.5%, as compared to the corresponding period in 2020, from approximately RMB549.9 million to approximately RMB492.0 million. The decrease in revenue from Construction service was primarily due to the decline in sub-contractor business. As mentioned above, with the aim to better manage the associated credit risks, the Group has tendered for new construction projects from customers that the management considers to have good financial standing. The decline in sub-contractor business was partially offset by the increase in revenue from the main contractor business, as the Group obtained the second-class license of main contractor in general construction works in September 2020.

分部資料

本集團的可呈報及經營分部如下：

- i) 提供建築服務(「**建築服務**」)；
- ii) 提供建築機械、設備及工具租賃服務(「**建築機械、設備及工具租賃**」)；
- iii) 提供污水處理服務(「**污水處理業務**」)；及
- iv) 建築材料銷售及其他(「**其他**」)。

本集團分部資料的詳情於中期財務報告附註2中披露。

財務回顧

收益

截至2021年6月30日止六個月，本集團的總體收益由2020年同期的約人民幣612.7百萬元輕微減少約人民幣1.2百萬元或約0.2%至約人民幣611.5百萬元。

於回顧期間，就收益而言，建築服務分部仍為本集團最大的業務分部，佔本集團總收益的約80.4%（截至2020年6月30日止六個月：約89.7%）。建築服務收益由2020年同期的約人民幣549.9百萬元減少約人民幣57.9百萬元或約10.5%至約人民幣492.0百萬元。建築服務收益減少乃主要由於分包業務減少。誠如上文所述，為更好地管理相關信貸風險，本集團已向管理層認為財務狀況良好的客戶投標新建築項目。於2020年9月，本集團獲得建築工程施工總承包二級牌照，分包業務減少由總承包商業務收益增加部分抵銷。

Management Discussion and Analysis

管理層討論與分析

In order to balance the source of revenue, the Group has secured more leasing contracts during the six months ended 30 June 2021, which led to the increase in revenue from leasing of construction machinery, equipment and tools by approximately RMB51.9 million, or approximately 105.3%, as compared to the corresponding period in 2020, from approximately RMB49.3 million to approximately RMB101.2 million.

Revenue from Sewage treatment operation and Others remained stable during the six months ended 30 June 2021.

Cost of sales

Cost of sales mainly comprises of material cost, labour subcontracting fee, depreciation and others. During the six months ended 30 June 2021, the overall cost of sales of the Group has increased by approximately RMB65.0 million, or approximately 14.4% compared to the six months ended 30 June 2020, from approximately RMB450.2 million to approximately RMB515.2 million.

Gross profit and gross profit margin

Set out below is the breakdown of the gross profit and gross profit margins of the Group by business segment and work type during the period under review and the corresponding period in 2020:

為平衡收益來源，本集團於截至2021年6月30日止六個月取得更多租賃合約，導致建築機械、設備及工具租賃收益由2020年同期約人民幣49.3百萬元增加約人民幣51.9百萬元或約105.3%至約人民幣101.2百萬元。

截至2021年6月30日止六個月，污水處理業務及其他的收益保持穩定。

銷售成本

銷售成本主要包括材料成本、勞務分包費、折舊及其他。截至2021年6月30日止六個月，本集團的總體銷售成本較截至2020年6月30日止六個月的約人民幣450.2百萬元增加約人民幣65.0百萬元或約14.4%至約人民幣515.2百萬元。

毛利及毛利率

於回顧期間及2020年同期按業務分部及工程類型分類的本集團毛利及毛利率詳情載列如下：

		Six months period ended 截至6月30日止六個月			
		2021 2021年		2020 2020年	
		RMB'000 人民幣千元	GP % 毛利率%	RMB'000 人民幣千元	GP % 毛利率%
Construction service	建築服務	58,226	11.8	141,534	25.7
Leasing of construction machinery, equipment and tools	建築機械、設備及工具租賃	36,823	36.4	19,919	40.4
Sewage treatment operation	污水處理業務	639	24.0	306	13.3
Others	其他	621	4.0	727	6.5
		96,309	15.7	162,486	26.5

During the six months ended 30 June 2021, the Group's overall gross profit margin decreased by 10.8 percentage point, from 26.5% in the six months ended 30 June 2020 to 15.7% in the six months ended 30 June 2021. The decrease in overall gross profit margin was mainly due to the decrease in gross profit margin of Construction service.

截至2021年6月30日止六個月，本集團的整體毛利率由截至2020年6月30日止六個月的26.5%下降10.8個百分點至截至2021年6月30日止六個月的15.7%。整體毛利率下降乃主要由於建築服務的毛利率下降所致。

Pursuant to relevant accounting standards and policies adopted by the Group, construction revenue is recognised progressively over time using the output method, based on direct measurements of the value of contract work performed, whilst costs for construction services are expensed in the period in which they are incurred. During the six months ended 30 June 2021, a relatively high portion of sub-contractor projects of the Group, as compared to the corresponding period in 2020, went through completion phases, in which a relatively lower gross profit margin is generally recorded since revenue has been recognised in earlier stage of the projects according to the progress certificates issued by customers while certain unbillable costs, such as inspection costs and costs to make good of defects in relation to works done by the Group in such projects, were incurred in the completion phases. Coupled with the general lower profit margin of main contractor business, it led to a lower overall gross profit margin.

However, the decrease in gross profit of Construction service was partially offset by the increase in gross profit of Leasing of construction machinery, equipment and tools, which shared a higher proportion of revenue during the six months ended 30 June 2021.

Other net income

The other net income mainly represented government grants, interest income and gain on disposal of property, plant and equipment. During the six months ended 30 June 2021, the other net income has increased by approximately RMB34.4 million, compared to the corresponding period in 2020, from approximately RMB7.8 million to approximately RMB42.2 million. The increase in other net income was mainly attributable to the recognition of gain on disposal of property, plant and equipment and certain unutilised tools (mainly H-piles and Larssen sheet piles) of approximately RMB34.2 during the six months ended 30 June 2021 (six months ended 30 June 2020: RMB3.9 million).

Administrative expenses

The administrative expenses increased by approximately RMB4.0 million from RMB25.8 million for the six months ended 30 June 2020 to RMB29.8 million for the six months ended 30 June 2021. The increase in administrative expenses was mainly due to the increase in staff costs as a result of the expansion of leasing business and main contractor business.

Research and development costs

The research and development costs mainly include (i) staff costs; (ii) and raw materials costs. The Group obtained a second class license of main contractor in general construction works in September 2020. To support the expansion of the general construction works business, the Group incurred additional staff costs and raw materials costs during the six months ended 30 June 2021, which led to an increase in research and development costs by approximately RMB10.2 million from RMB16.8 million for the six months ended 30 June 2020 to RMB27.0 million for the six months ended 30 June 2021.

根據本集團採納的相關會計準則及政策，建築收益乃基於所履行合約工程的價值直接計量，以產出法隨時間推移逐步確認，而建築服務成本則在其產生當期轉化為開支。截至2021年6月30日止六個月，與2020年同期相比，本集團有相對較高比例的分包商項目進入竣工階段，由於收益已根據客戶出具的進度憑證於項目早期確認，而於竣工階段產生若干不可回收的成本，如檢驗成本及就本集團於有關項目中完成的工作進行缺陷修繕產生的成本，該階段一般錄得較低的毛利率。加上總承包業務的利潤率普遍較低，導致整體毛利率下降。

然而，建築服務毛利下降部分由截至2021年6月30日止六個月佔收益比例較高的建築機械、設備及工具租賃的毛利增加所抵銷。

其他淨收入

其他淨收入主要指政府補助、利息收入以及出售物業、廠房及設備的收益。截至2021年6月30日止六個月，其他淨收入較截至2020年同期的約人民幣7.8百萬元增加約人民幣34.4百萬元至約人民幣42.2百萬元。其他淨收入的增加主要歸因於截至2021年6月30日止六個月確認出售物業、廠房及設備以及若干未利用工具（主要為H型樁及拉森鋼板樁）收益約人民幣34.2元（截至2020年6月30日止六個月：人民幣3.9百萬元）。

行政開支

行政開支由截至2020年6月30日止六個月的人民幣25.8百萬元增加約人民幣4.0百萬元至截至2021年6月30日止六個月的人民幣29.8百萬元。行政開支增加乃主要由於員工成本因租賃業務及總承包商業務擴張而增加。

研發費用

研發費用主要包括(i)員工成本；及(ii)原材料成本。於2020年9月，本集團獲得建築工程施工總承包二級牌照。為支持建築工程施工總承包業務的擴張，本集團於截至2021年6月30日止六個月產生額外員工成本及原材料成本，導致研發費用由截至2020年6月30日止六個月的人民幣16.8百萬元增加約人民幣10.2百萬元至截至2021年6月30日止六個月的人民幣27.0百萬元。

Management Discussion and Analysis

管理層討論與分析

Impairment losses on assets arising from contracts with customers

As part of the ordinary course of business, the Group enters into contracts with its customers in connection to (a) Construction service; and (b) Leasing services of construction machinery, equipment and tools. Such customers are mainly real estate companies or main contractors in the PRC. According to the payment terms in the contracts, the Group is entitled to request for progress payments that are usually measured by reference to a prescribed percentage of the certified amount of work completed. Retention money may be retained by the customers in order to secure the due performance under the contract. Accordingly, the Group's credit risk is primarily attributable to trade receivables, bills receivable and contract assets.

The following table sets out the breakdown of trade receivables, bills receivable and contract assets of the Group as at the dates indicated, respectively:

與客戶合約所產生的資產減值虧損

作為日常業務的一部分，本集團就(a)建築服務；及(b)建築機械、設備及工具租賃服務與客戶訂立合約。有關客戶主要為中國的房地產公司或總承包商。根據合約的支付條款，本集團有權要求支付進度款，通常參考經核證已完工工程金額的特定百分比計量。保留金可由客戶保留，以確保妥為履行合約項下的責任。因此，本集團的信貸風險主要來自貿易應收款項、應收票據及合約資產。

下表載列本集團分別於所示日期的貿易應收款項、應收票據及合約資產明細：

		As at 30 June 2021 於2021年 6月30日 RMB'000 人民幣千元	As at 31 December 2020 於2020年 12月31日 RMB'000 人民幣千元
Contract assets (as disclosed in the consolidated statement of financial position)	合約資產 (於綜合財務狀況表披露)	568,558	581,612
Trade and bills receivables, net of loss allowance (as disclosed in note 8 to the interim financial report)	貿易應收款項及應收票據 (扣除損失準備) (於中期財務報告附註8披露)	818,686	837,305
Net carrying amount of trade receivables, bills receivable and contract assets	貿易應收款項、應收票據及合約資產賬面淨值	1,387,244	1,418,917
Add: loss allowance for expected credited losses ("ECLs")	加：預期信貸損失(「預期信貸損失」)的損失準備	174,040	163,079
Gross carrying amount of trade receivables, bills receivable and contract assets used under the provision matrix in relation to the calculation of the loss allowance for ECL (as disclosed in note 13 to the interim financial report)	就計算預期信貸損失的損失準備根據準備矩陣所用的貿易應收款項、應收票據及合約資產的賬面總值 (於中期財務報告附註13披露)	1,561,284	1,581,996
Add: individual loss allowance for a customer	加：客戶個別損失準備	686	686
Gross carrying amount of trade receivables, bills receivable and contract assets	貿易應收款項、應收票據及合約資產賬面總值	1,561,970	1,582,682

As indicated below, among the gross carrying amount of trade receivables, bills receivable and contract assets of approximately RMB1,561.9 million (31 December 2020: approximately RMB1,582.7 million), approximately RMB956.4 million (31 December 2020: approximately RMB955.6 million) was past due. In particular, two of the Group's major customers, namely Customer A and Customer B, contributed approximately 50.2% and 16.0% (31 December 2020: approximately 68.4% and 8.9%) of the total gross carrying amount of trade receivables, bills receivable and contract assets which was past due, respectively.

The following sets out the breakdown of the gross carrying amount of trade receivables, bills receivable and contract assets which was past due by customers:

誠如下文所示，貿易應收款項、應收票據及合約資產的賬面總值約人民幣1,561.9百萬元（2020年12月31日：約人民幣1,582.7百萬元）中，約人民幣956.4百萬元（2020年12月31日：約人民幣955.6百萬元）已逾期。尤其是，本集團的兩名主要客戶（即客戶A及客戶B）分別佔已逾期貿易應收款項、應收票據及合約資產的賬面總值的約50.2%及16.0%（2020年12月31日：約68.4%及8.9%）。

下文載列客戶逾期的貿易應收款項、應收票據及合約資產的賬面總值明細：

		Listing status (Y/N) 上市狀況 (是/否)	As at 30 June 2021 於2021年6月30日 RMB'000 人民幣千元		As at 31 December 2020 於2020年12月31日 RMB'000 人民幣千元	
				%		%
State-owned enterprises	國有企業					
Customer A	客戶A	Y是	480,191	50.2	653,950	68.4
Other state-owned customers ⁽¹⁾	其他國有客戶 ⁽¹⁾		89,125	9.3	67,697	7.1
Sub-total	小計		569,316	59.5	721,647	75.5
Non-state-owned enterprises	非國有企業					
Customer B	客戶B	Y是	153,497	16.0	85,050	8.9
Other non-state owned customers ⁽²⁾	其他非國有客戶 ⁽²⁾		233,618	24.4	148,925	15.6
Sub-total	小計		387,115	40.5	233,975	24.5
Total	總計		956,431	100.0	955,622	100.0

Notes:

- (1) Other state-owned customers included a total of 23 enterprises (31 December 2020: 33 enterprises), each of which accounted for less than 4.1% (31 December 2020: 3.1%) of the total gross carrying amount of trade and bills receivables and contract assets as at 30 June 2021.
- (2) Other non-state owned customers included a total of 249 enterprises (31 December 2020: 135 enterprises), each of which accounted for less than 2.5% (31 December 2020: 1.5%) of the total gross carrying amount of trade and bills receivables and contract assets as at 30 June 2021.

附註：

- (1) 其他國有客戶包括合共23家企業（2020年12月31日：33家企業），有關企業各自佔2021年6月30日的貿易應收款項、應收票據及合約資產的賬面總值不到4.1%（2020年12月31日：3.1%）。
- (2) 其他非國有客戶包括合共249家企業（2020年12月31日：135家企業），有關企業各自佔2021年6月30日的貿易應收款項、應收票據及合約資產的賬面總值不到2.5%（2020年12月31日：1.5%）。

Management Discussion and Analysis

管理層討論與分析

The following sets out the background information of Customer A and Customer B:

Customer A A state-owned enterprise which mainly carries out business management activities through a company listed on the Shanghai Stock Exchange ("**Customer A's Principal Operating Subsidiary**"), which in turn has seven subsidiaries which are listed on the Hong Kong Stock Exchange or Shenzhen Stock Exchange, as well as more than 100 investment-holding subsidiaries. To the best knowledge of the directors of the Company (the "**Directors**") after making reasonable enquiries, for the year ended 31 December 2020, Customer A's Principal Operating Subsidiary recorded a total revenue and net profit attributable to equity owners which amounted to approximately RMB1.6 trillion and RMB44.9 billion, respectively.

Customer B A group of companies which are subsidiaries of a company listed on the Shanghai Stock Exchange which is engaged in real estate development, property management and construction of public infrastructure. To the best knowledge of the Directors after making reasonable enquiries, for the six months ended 30 June 2021, such parent company recorded a total revenue and net profit amounting to approximately RMB4.2 billion and RMB243.5 million, respectively.

Loss allowance for ECLs

The Group measures loss allowances for trade receivables, bills receivable and contract assets at an amount equal to lifetime ECLs, which is calculated using a provision matrix. Such loss allowances on trade and bills receivables, and contract assets only reflect the Group's credit risk as at the reporting date, and were subject to subsequent remeasurement reflecting the developments thereafter.

As at the reporting date, the expected credit losses for bills receivable and contract assets were calculated by applying the expected loss rate of trade receivables within the extended payment period to the outstanding balances of bills receivables and contract assets, as they have similar credit risk characteristics.

下文載列客戶A及客戶B的背景資料：

客戶A 為一家國有企業，其主要通過一間於上海證券交易所上市的公司（「**客戶A的主要營運附屬公司**」）開展業務管理活動，該公司擁有於香港聯交所或深圳證券交易所上市的七間附屬公司以及100多家投資控股附屬公司。據本公司董事（「**董事**」）於作出合理查詢後所深知，截至2020年12月31日止年度，客戶A的主要營運附屬公司的總收益及權益擁有人應佔淨利潤分別約為人民幣1.6萬億元及人民幣449億元。

客戶B 由一間於上海證券交易所上市公司的附屬公司組成的公司集團，該公司從事房地產開發、物業管理及公共基礎設施建設。據董事於作出合理查詢後所深知，截至2021年6月30日止六個月，該母公司的總收益及淨利潤分別約為人民幣42億元及人民幣243.5百萬元。

預期信貸損失的損失準備

本集團按等同於存續期預期信貸損失的金額計量貿易應收款項、應收票據及合約資產的損失準備，並以撥備矩陣計算。有關貿易應收款項、應收票據及合約資產的損失準備僅反映本集團於報告日期的信貸風險，須進行反映其後發展的後續重新計量。

於報告日期，由於應收票據與合約資產具有相似的信貸風險特徵，故其預期信貸損失通過將於延期付款期限內的貿易應收款項的預期損失率應用於應收票據及合約資產的未償還餘額計算。

The following briefly illustrates the Group's calculation of the loss allowance for ECLs:

Step 1 — Ageing analysis and categorisation of trade receivables into time bands

Based on the ageing report as at the reporting date, the Group's trade receivables were categorised into three time bands, i.e. "trade receivables within the extended payment period", "trade receivables exceeding the extended payment period by less than 1 year" and "trade receivables exceeding the extended payment period by more than 1 year".

Note: The Group is entitled to request for progress payments that are usually measured by reference to a prescribed percentage of the certified amount of work completed according to the payment terms in the contracts. However, in practice, it normally takes months to complete the settlement of trade receivables due to the administrative process of different customers. Therefore, the Group generally grants an extended payment period based on the background of its customers — for stated-owned enterprises, 6 months from the issuance of progress certificates; for private entities, 3 months from the issuance of progress certificates.

Step 2 — Determination of expected loss rate for trade receivables

The Group first determined the expected loss rate for trade receivables exceeding the extended payment period by more than one year, which was derived from historical observed default rates, adjusted by certain forward-looking estimates which reflected the probability of a worsening economic environment within the next year. The forward-looking factors adopted by the Group included the growth rate of the consumer price index published by the National Bureau of Statistics of China, the growth rate of non-performing loans in the construction sector as published by the China Banking and Insurance Regulatory Commission (中國銀行保險業監督管理委員會) and the decrease rate of land purchase area (土地購置面積) in the PRC as published by the National Bureau of Statistics of China.

The expected loss rates for trade receivables in the other time bands were further determined based on the expected loss rate for the trade receivables exceeding the extended payment period by more than one year and roll rates. The Group derived roll rates based on historical ageing data, which represented the percentages of trade receivables that are not received in a time band and thus have rolled to the next time band, and reflected the probability of loss for trade receivables in each time band.

下文簡要說明本集團預期信貸損失的損失準備計算方法：

步驟1 — 貿易應收款項的賬齡分析及按時間段分類

根據於報告日的賬齡報告，本集團的貿易應收款項分為三個時間段，即「於延期付款期限內的貿易應收款項」、「超過延期付款期限不足1年的貿易應收款項」及「超過延期付款期限1年以上的貿易應收款項」。

附註： 根據合約的支付條款，本集團有權要求支付進度款，通常參考經核證已完工工程金額的特定百分比計量。然而，實際上，由於不同客戶的行政程序，完成貿易應收款項的結算通常需要數月。因此，本集團一般會根據客戶的背景授出延長付款期限——就國有企業而言，有關期限為自進度證明簽發之日起6個月；就私人實體而言，則為自進度證明簽發之日起3個月。

步驟2 — 釐定貿易應收款項的預期損失率

本集團首先釐定超過延期付款期限1年以上的貿易應收款項的預期損失率，其來源於歷史觀察違約率，經若干反映第二年經濟環境惡化可能性的前瞻性估計調整。本集團所採用的前瞻性因素包括中國國家統計局發佈的居民消費價格指數增長率、中國銀行保險監督管理委員會發佈的建築業不良貸款增長率及中國國家統計局發佈的中國土地購置面積下降率。

其他時間段的貿易應收款項的預期損失率乃根據超過延期付款期限1年以上的貿易應收款項的預期損失率及滾動率進一步釐定。本集團根據歷史賬齡數據得出滾動率，其指在一個時間段內未收取而因此轉入下一個時間段的貿易應收款項的百分比，並反映各時間段內貿易應收款項的虧損概率。

Management Discussion and Analysis

管理層討論與分析

Step 3 — Construct the provision matrix to calculate the loss allowance for ECLs

With all parameters fixed, the Group constructed a provision matrix by applying the expected loss rate of each time band to the respective outstanding balances of trade receivables to compute the loss allowance for ECL for trade receivables as at the reporting date.

The following tables sets out information about the Group's exposure to credit risk and ECLs for trade receivables, bills receivable and contract assets as at the dates indicated:

步驟3 — 構建準備矩陣以計算預期信貸損失的損失準備

在所有參數固定的情況下，本集團通過將各時間段的預期損失率應用於貿易應收款項的各自未償還餘額構建準備矩陣，以計算貿易應收款項於報告日期的預期信貸損失的損失準備。

下表載列本集團於所示日期的貿易應收款項、應收票據及合約資產所面臨的信貸風險及預期信貸損失資料：

		As at 30 June 2021 於2021年6月30日		
		Expected loss rate	Gross carrying amount of trade receivables, bills receivable and contract assets	Loss allowance
		預期虧損率	貿易應收款項、 應收票據及合約 資產的賬面總值	損失準備
		%	RMB'000	RMB'000
		%	人民幣千元	人民幣千元
Current (not past due)	即期(未逾期)	6.0	604,853	(36,296)
Less than 12 months past due	逾期少於12個月	9.8	715,105	(70,261)
More than 12 months past due	逾期超過12個月	28.0	241,326	(67,483)
			1,561,284	(174,040)
		As at 31 December 2020 於2020年12月31日		
		Expected loss rate	Gross carrying amount of trade receivables, bills receivable and contract assets	Loss allowance
		預期虧損率	貿易應收款項、 應收票據及合約 資產的賬面總值	損失準備
		%	RMB'000	RMB'000
		%	人民幣千元	人民幣千元
Current (not past due)	即期(未逾期)	7.1	626,374	(44,762)
Less than 12 months past due	逾期少於12個月	10.0	814,365	(81,095)
More than 12 months past due	逾期超過12個月	26.4	141,257	(37,222)
			1,581,996	(163,079)

In particular, the loss allowance for ECL made in respect of Customer A and Customer B as at 30 June 2021 amounted to approximately RMB90.6 million and RMB24.7 million (31 December 2020: approximately RMB85.1 million and RMB8.9 million), respectively, representing approximately 52.0% and 14.2% (31 December 2020: approximately 52.2% and 5.5%) of the total loss allowance made, respectively.

In addition to above provision matrix, the Group has made individual loss allowance for a customer. As at 30 June 2021, the accumulated individual loss allowance was RMB686,000 (31 December 2020: RMB686,000) with the carrying amounts before loss allowance of RMB686,000 (31 December 2020: RMB686,000). Such individual loss allowance of RMB686,000 was made for one particular customer and represented the outstanding amount that was awarded to the Group in a legal proceeding between the Group and the customer in respect of a failure of payment by the customer. Save for the individual loss allowance of RMB686,000, the Directors confirmed that there was no existing business relationship nor outstanding amounts of trade receivables, bills receivable and contract assets with the particular customer as at 30 June 2021.

The following table (as disclosed in note 13 to the interim financial report) sets out the movement in the loss allowance account in respect of trade receivables, bills receivable and contract assets during the period:

尤其是，於2021年6月30日，就客戶A及客戶B計提的預期信貸損失的損失準備分別為約人民幣90.6百萬元及人民幣24.7百萬元（2020年12月31日：約人民幣85.1百萬元及人民幣8.9百萬元），分別佔損失準備總額約52.0%及14.2%（2020年12月31日：約52.2%及5.5%）。

除上述撥備矩陣外，本集團已就一名客戶計提個別損失準備。於2021年6月30日，累計個別損失準備為人民幣686,000元（2020年12月31日：人民幣686,000元），除損失準備前賬面值為人民幣686,000元（2020年12月31日：人民幣686,000元）。有關個別損失撥備人民幣686,000元乃就一名特定客戶作出，指本集團與該名客戶之間就其未能付款而進行的法律訴訟中判予本集團的未償還款項。除個別損失準備人民幣686,000元外，董事確認，於2021年6月30日，與該名特定客戶之間概無現有業務關係或貿易應收款項、應收票據及合約資產的未償還款項。

下表（於中期財務報告附註13披露）載列貿易應收款項、應收票據及合約資產的損失準備賬目於期內的變動情況：

		Six months ended 30 June 截至6月30日止六個月	
		2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
Balance at 1 January	於1月1日的結餘	163,765	49,009
Amounts written off during the period*	期內撇銷金額*	(15)	—
Impairment losses recognised in profit or loss during the period	期內於損益確認的減值虧損	10,976	54,494
Balance at 30 June	於6月30日的結餘	174,726	103,503

* An amount of approximately RMB15,000 of trade receivables were written off during the six months ended 30 June 2021. Such write off was made for certain of the Group's customer as they failed to settle the outstanding amount of approximately RMB15,000 in respect of certain construction services contracts. Having considered the legal costs to recover the amount would be proportionally higher, the Directors considered that the Group should not take any legal action to recover the amount and accordingly the Group has no reasonable expectations of recovering the amount.

* 截至2021年6月30日止六個月，約人民幣15,000元的貿易應收款項已撇銷。有關撇銷乃就本集團的若干客戶作出，因為彼等未能結清若干建築服務合約的未償還金額約人民幣15,000元。經考慮收回款項的法律費用會按比例增加，董事認為本集團不應採取任何法律行動收回款項，因此本集團對收回款項並無合理預期。

Management Discussion and Analysis

管理層討論與分析

Factors, events and circumstances leading to the recognition of ECLs

The amount of impairment losses on assets arising from contracts with customers decreased from approximately RMB54.5 million in the six months ended 30 June 2020 to approximately RMB10.9 million in the six months ended 30 June 2021, which was particularly due to that more progress payments were received by the Group from the customers, as compared to the corresponding period in 2020.

However, as more long-aged trade and bills receivables were recorded as at 30 June 2021 as compared to that as at 31 December 2020, the amount of loss allowance for ECLs on assets arising from contracts with customers increased by approximately RMB10.9 million from approximately RMB163.1 million as at 31 December 2020 to approximately RMB174.0 million as at 30 June 2021. The increase in long-aged trade and bills receivables was primarily due to the following reasons:

- tightened credit policy towards the property developers, which led to the delay in payment made by the customers to the Group; and
- the final contract amounts of certain completed projects were pending for verification by customers. The remaining balance will be settled upon completion of verification of final contract sum.

Subsequent settlement in respect of trade receivables, bill receivable and contract assets

During the period from 1 July 2021 to 20 August 2021, there was settlement of the trade and bills receivables that amounted to approximately RMB149.2 million, which represented approximately 15.6% of the gross trade and bills receivables balance as at 30 June 2021. All of the subsequent settlements were in cash.

In particular, in respect of Customer A and Customer B, approximately RMB26.3 million and RMB50.1 million, representing approximately 5.5% and 32.6% of their respective gross trade and bills receivables balance as at 30 June 2021 was settled during the period from 1 July 2021 to 20 August 2021, respectively.

導致確認預期信貸損失的因素、事件及情況

與客戶合約所產生的資產減值虧損金額由截至2020年6月30日止六個月的約人民幣54.5百萬元減少至截至2021年6月30日止六個月的約人民幣10.9百萬元，主要是由於與2020年同期相比，本集團自客戶收到的進度款增加。

然而，由於與2020年12月31日相比，於2021年6月30日錄得更多賬齡較長的貿易應收款項及應收票據，與客戶合約所產生的資產預期信貸損失的損失準備金額由2020年12月31日的約人民幣163.1百萬元增加約人民幣10.9百萬元至2021年6月30日的約人民幣174.0百萬元。賬齡較長的貿易應收款項及應收票據增加乃主要由於以下原因：

- 對物業開發商的信貸政策收緊，導致客戶延遲向本集團付款；及
- 部分已完成項目的最終合約金額有待客戶核實。餘款將於最終合約金額核實完成後結清。

有關貿易應收款項、應收票據及合約資產的後續結算

於2021年7月1日至2021年8月20日期間，已回收的貿易應收款項及應收票據約為人民幣149.2百萬元，相當於2021年6月30日貿易應收款項及應收票據結餘總額的15.6%。全部後續結算均以現金進行。

尤其是，就客戶A及客戶B而言，約人民幣26.3百萬元及人民幣50.1百萬元，分別佔其於2021年6月30日的貿易應收款項及應收票據結餘總額約5.5%及32.6%，已分別於2021年7月1日至2021年8月20日止期間結清。

Measures taken by the Group in respect of the matter

After the Directors became aware of the impact of COVID-19 and particularly the increasing exposure of the Group to ECLs, when the Group entered into agreements with customers during the ordinary course of business, the Group has adopted a more prudent approach in tendering for new construction projects. The Group has established a credit risk management policy under which credit evaluations are performed on each of the customers. These evaluations focus on the customer's history of making payments and current ability to pay. The Group's customers are mainly real estate companies or main contractors in the PRC. Before tendering for contracts with new customers, the Group performed background check (e.g. shareholders' background) and credit assessment (e.g. financial information of publicly listed companies) to evaluate the creditworthiness of the new customers.

In addition, the Group has its debt collection policy, under which it is the responsibility of the finance and accounts department, the business administration department and the respective project management units to confirm and follow up the outstanding debts with the customers. The amounts of construction work performed are assessed and confirmed by the business administration department and respective project management units on a monthly basis. Taking into account the progress payment, if any, made by each of the individual customers, a written payment request and official invoice are issued to each customer to request for payment of the remaining balance. The business administration department and respective project management units will continue to follow up the outstanding debts. If the debt is outstanding for 90 days or more, the project manager of the relevant project management unit is advised for review and follow up. If payment is not received after 180 days past due, the following factors will be considered before proceeding with any legal action:

- financial position of the debtor;
- alternative to legal action;
- time and legal cost to recover the amount; and
- long-term relationship with the customer.

本集團就該事宜採取的措施

於董事意識到COVID-19的影響，尤其是本集團所面臨的預期信貸損失的風險日益增加後，於本集團在日常業務過程中與客戶訂立協議時，本集團於投標新建設項目時已採取更為審慎的方法。本集團已設立信貸風險管理政策，據此，所有客戶均須進行個別信貸評估。此等評估側重關注客戶付款歷史及當前支付能力。本集團的客戶主要為中國的房地產公司或總承包商。在與新客戶簽訂招標合約前，本集團會進行背景調查(例如股東背景)及信貸評估(例如上市公司的財務資料)，以評估新客戶的信譽。

此外，本集團設有收債政策，據此，財務及會計部門、業務管理部門以及相關項目管理單位負責與客戶確認並跟進未償債務。所進行的建築工作量由業務管理部門以及相關項目管理單位每月評估及確認。考慮到各個別客戶支付的進度付款(如有)，會向各客戶發出書面付款請求及正式發票，以要求支付餘款。業務管理部門以及相關項目管理單位將繼續跟進未償債務。倘未償債務達90天或以上，則建議相關項目管理單位的项目經理進行審核及跟進。倘在逾期180天後仍未收到付款，於訴諸法律行動前將考慮以下因素：

- 債務人的財務狀況；
- 法律行動之外的選擇；
- 收回款項所需的時間及法律費用；及
- 與客戶的長期關係。

Management Discussion and Analysis

管理層討論與分析

Finance costs

Our finance costs mainly represented (i) interests on bank loans and other borrowings; (ii) interest on acquisition of equipment by instalments; and (iii) finance charges on sale and leaseback transactions.

Our finance costs increased by RMB12.3 million from RMB6.9 million to RMB19.2 million for the six months ended 30 June 2021 when comparing with that for the six months ended 30 June 2020. As mentioned above, with an aim to balance the source of revenue of the Group, the Group has secured more contracts on Leasing of construction machinery, equipment and tools. To support the expansion of the leasing business, the Group has acquired additional construction machinery and equipment, and obtained more borrowings. As a result, the balance of loans and borrowings increased as at 30 June 2021 to finance the Group's operation and capital investment, as compared to the corresponding date in 2020, and thus more finance costs were incurred during the six months ended 30 June 2021.

Income tax expenses

As a result of the decrease in profit before taxation of the Group, the income tax expenses has decreased by approximately RMB3.8 million, or approximately 34.9% compared to the six months ended 30 June 2020, from approximately RMB10.9 million in 2020 to approximately RMB7.1 million in 2021.

On 7 January 2020, Jianzhong Construction Technology Co., Ltd. ("**Jianzhong Construction Technology**"), an indirect wholly-owned subsidiary of the Company, obtained the state-level approval for its application of High-tech Enterprise qualification and was granted the qualification with effect from 2 December 2019. In accordance with the PRC Corporate Income Tax Law ("**CIT Law**"), the High-tech Enterprise qualification will be valid for a period of three years from 2019 to 2021 and entitles Jianzhong Construction Technology to a reduced tax rate at 15% during this period.

In December 2020, Fujian Jianzhong Yantu Engineering Co., Ltd. (originally named "Fujian Jinghai Engineering Service Co., Ltd.") ("**Jianzhong Yantu**"), another indirect wholly-owned subsidiary of the Company, obtained the state-level approval for its application of High-tech Enterprise qualification and was granted the qualification with effect from 1 December 2020. In accordance with the CIT Law, the High-tech Enterprise qualification will be valid for a period of three years from 2020 to 2022 and entitles Jianzhong Yantu to a reduced tax rate at 15% during this period.

The Group's other subsidiaries in the PRC is subject to PRC statutory corporate income tax of 25%.

融資成本

我們的融資成本主要指(i)銀行貸款及其他借款利息；(ii)以分期付款購入設備產生的利息；及(iii)售後租回交易的財務支出。

我們於截至2021年6月30日止六個月的融資成本較截至2020年6月30日止六個月的人民幣6.9百萬元增加人民幣12.3百萬元至人民幣19.2百萬元。誠如上文所述，為平衡本集團的收益來源，本集團已獲得更多建築機械、設備及工具租賃合約。為支持租賃業務的拓展，本集團已購置額外建築機械及設備，並獲取更多借款。因此，於2021年6月30日，貸款及借款餘額較2020年同期有所增加以撥付本集團的運營及資本投資，因此於截至2021年6月30日止六個月產生更多融資成本。

所得稅開支

由於本集團除稅前溢利減少，所得稅開支較截至2020年6月30日止六個月減少約人民幣3.8百萬元或約34.9%，由2020年的約人民幣10.9百萬元減少至2021年的約人民幣7.1百萬元。

本公司的間接全資附屬公司建中建設科技有限責任公司(「**建中建設科技**」)申請高新技術企業資格並於2020年1月7日獲得國家級批准，其獲得的資格於2019年12月2日起生效。根據企業所得稅法(「**企業所得稅法**」)，高新技術企業資格的有效期為三年(即從2019年至2021年)，建中建設科技於期內享受減按15%的稅率。

本公司的另一家間接全資附屬公司福建建中岩土工程有限責任公司(曾用名「福建省晶海工程服務有限公司」)(「**建中岩土**」)申請高新技術企業資格並於2020年12月獲得國家級批准，其獲得的資格於2020年12月1日起生效。根據企業所得稅法，高新技術企業資格的有效期為三年(即從2020年至2022年)，建中岩土於期內享受減按15%的稅率。

本集團於中國的其他附屬公司須按25%的法定稅率繳納中國企業所得稅。

Profit for the period and earnings per share

As a result of the foregoing, the net profit for the period of the Group decreased by approximately RMB8.3 million, or approximately 15.8%, from approximately RMB52.5 million for the six months ended 30 June 2020 to approximately RMB44.2 million for the six months ended 30 June 2021.

Basic and diluted earnings per share for the six months ended 30 June 2021 were RMB0.07 (30 June 2020: RMB0.09).

LIQUIDITY AND FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The shares of the Company were listed on the Stock Exchange on 18 March 2020 (the "Listing Date").

The Group maintained a solid financial position as at 30 June 2021. During the six months ended 30 June 2021, the Group's operation and capital requirements were financed principally through a combination of cash flows generated from the operating activities and bank and other borrowings. As at 30 June 2021, the Group had cash and cash equivalent of approximately RMB143.5 million (31 December 2020: approximately RMB200.9 million) in which approximately RMB1.5 million (31 December 2020: RMB14.8 million) equivalent cash were denominated in Hong Kong dollar. The remaining balance of cash and cash equivalent were denominated in Renminbi. As at 30 June 2021, the Group had net current asset of approximately RMB653.5 million, representing an decrease of approximately RMB18.2 million as compared to that of approximately RMB671.7 million as at 31 December 2020.

As at 30 June 2021, the gearing ratio of the Group, calculated based on the net debts (including interest-bearing loans and borrowings, and payables for acquisition of equipment by instalments, less cash and cash equivalents) divided by the equity as at the end of reporting period and multiplied by 100%, was approximately 31.2% (31 December 2020: approximately 23.4%).

All the Group's loans and borrowings were denominated in Renminbi. As of 30 June 2021, included in loans and borrowings and other payables of approximately RMB249.0 million were fixed rate borrowings (31 December 2020: approximately RMB321.1 million). Particulars of loans and borrowings of the Group are set out in note 11 to the interim financial report.

期內溢利及每股盈利

由於上文所述原因，本集團期內純利由截至2020年6月30日止六個月的約人民幣52.5百萬元減少約人民幣8.3百萬元或約15.8%至截至2021年6月30日止六個月的約人民幣44.2百萬元。

截至2021年6月30日止六個月，每股基本及攤薄盈利為人民幣0.07元（2020年6月30日：人民幣0.09元）。

流動資金、財務資源及資本架構

本公司股份已於2020年3月18日（「上市日期」）在聯交所上市。

本集團於2021年6月30日維持穩健的財務狀況。截至2021年6月30日止六個月，本集團的營運及資本需求主要透過經營活動所得現金流量以及銀行及其他借款撥付。於2021年6月30日，本集團的現金及現金等價物約為人民幣143.5百萬元（2020年12月31日：約人民幣200.9百萬元），其中約人民幣1.5百萬元（2020年12月31日：人民幣14.8百萬元）等額現金以港元計值。現金及現金等價物的餘下結餘以人民幣計值。於2021年6月30日，本集團的流動資產淨值約為人民幣653.5百萬元，較2020年12月31日的約人民幣671.7百萬元減少約人民幣18.2百萬元。

於2021年6月30日，本集團資本負債比率約為31.2%（2020年12月31日：約23.4%），乃按淨負債（包括計息貸款及借款以及以分期付款購入設備的應付款項減現金及現金等價物）除以截至報告期末的權益再乘以100%計算得出。

本集團的所有貸款及借款均以人民幣計值。截至2021年6月30日，固定利率借款計入貸款及借款以及其他應付款項約人民幣249.0百萬元（2020年12月31日：約人民幣321.1百萬元）。本集團貸款及借款的詳情載於中期財務報告附註11。

Management Discussion and Analysis

管理層討論與分析

CAPITAL COMMITMENTS

In order to balance the source of revenue, the Group has acquired more construction machinery, equipment and tools to expand the leasing business during the six months ended 30 June 2021. As a result, the Group had capital commitments in respect of purchase of property, plant and equipment, which had been contracted but not provided for in the financial statements, in the total amount of approximately RMB125.5 million as at 30 June 2021 (31 December 2020: approximately RMB10.0 million). The capital commitment as at 30 June 2021 shall be paid by instalments for a term of 3 to 4 years pursuant to relevant acquisition contracts.

CONTINGENT LIABILITIES

The Group did not have any material contingent liabilities as at 30 June 2021 (31 December 2020: Nil).

TREASURY MANAGEMENT

The Group has a sufficient level of cash and banking facilities for the conduct of its trade in the normal course of business. The management of the Group closely reviews trade receivable balances and any overdue balances on an ongoing basis and only trade with creditworthy parties. The management of the Group closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and commitments can meet its funding requirements to manage liquidity risk.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2021, the Group has a total of 733 full-time employees (31 December 2020: 554). The Group has developed its human resources policies and procedures to determine the individual remuneration with reference to factors such as performance, qualification, responsibilities of each individual, market conditions, etc. Remuneration packages are normally reviewed on a regular basis. Apart from salary payments, other staff benefits including provident fund contributions, medical insurance coverage, annual leave and options which may be granted under the share option scheme adopted by the Company on 18 February 2020. The total staff costs (excluding Directors' remuneration) incurred by the Group during the six months ended 30 June 2021 was approximately RMB42.9 million (six months ended 30 June 2020: approximately RMB22.8 million).

FOREIGN EXCHANGE EXPOSURE

During the six months ended 30 June 2021 and 2020, the Group had a minimal exposure to foreign currency risk as most of its business transactions were conducted in the PRC in RMB. Moreover, the Group's assets and liabilities are principally denominated in RMB. As such, the Directors believe that the Group's risk in foreign exchange is insignificant.

資本承擔

為平衡收益來源，本集團於截至2021年6月30日止六個月購入更多建築機械、設備及工具以擴大租賃業務。因此，本集團就購買物業、廠房及設備作出資本承擔，並已訂約但尚未於財務報表作出撥備，於2021年6月30日的總金額約為人民幣125.5百萬元（2020年12月31日：約人民幣10.0百萬元）。於2021年6月30日的資本承擔將根據相關收購合約分期支付，期限為3至4年。

或然負債

本集團於2021年6月30日概無任何重大或然負債（2020年12月31日：無）。

庫務管理

本集團具備充足水平的現金及銀行信貸，以供其在一般業務過程中進行貿易活動。本集團管理層持續密切檢討貿易應收款項結餘及任何逾期結餘，並只會與具信譽的有關人士進行貿易。本集團管理層密切監察本集團的流動資金狀況，以確保本集團的資產、負債及承擔的流動資金架構可滿足其資金需求，以管控流動資金風險。

僱員及薪酬政策

於2021年6月30日，本集團共有733名全職僱員（2020年12月31日：554名）。本集團已制定人力資源政策及程序，以參考個人的表現、資質、責任、市況等因素釐定個人薪酬。薪酬待遇通常會定期檢討。除薪金外，其他員工福利包括公積金供款、醫療保險、年假及根據本公司於2020年2月18日採納的購股權計劃可能授出的購股權。截至2021年6月30日止六個月，本集團產生的總員工成本（不包括董事酬金）約為人民幣42.9百萬元（截至2020年6月30日止六個月：約人民幣22.8百萬元）。

外匯風險

截至2021年及2020年6月30日止六個月，由於其大部分業務交易在中國進行並以人民幣計值，故本集團面對的外匯風險極低。此外，本集團的資產及負債主要以人民幣計值。因此，董事認為本集團的外匯風險微不足道。

PLEDGE OF ASSETS

As at 30 June 2021, the carrying amounts of the machinery and equipment pledged for the sale and leaseback transactions were RMB141.2 million (31 December 2020: RMB92.6 million); machinery and equipment of RMB105.0 million (31 December 2020: 71.6 million) was pledged as security of certain bank borrowings; and bank deposits of RMB20.6 million (31 December 2020: RMB17.0 million) were pledged to banks as security for bills payable.

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSAL OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

There were no significant investments held, material acquisitions or disposals of subsidiaries, associates and joint ventures during the six months ended 30 June 2021.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Save as those disclosed in the section "Capital Commitments" in this interim report, the Group currently has no other plan for material investments and capital assets.

DIVIDEND

The board of Directors (the "Board") does not recommend any payment of dividend for the six months ended 30 June 2021.

USE OF PROCEEDS

The shares of the Company were listed on the Stock Exchange on 18 March 2020. The net proceeds from the listing, after deducting the listing-related expenses, were RMB182.7 million (the "Net Proceeds"). The table below sets out the progress of the actual use of the Net Proceeds from the Listing Date to 30 June 2021:

		Planned use of Net Proceeds	Actual use of Net Proceeds from the Listing Date to 30 June 2021 由上市日期至2021年6月30日的所得款項淨額實際用途	Remaining balance of Net Proceeds
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
1) to fund construction projects	1) 撥付建築項目	127,892	(127,892)	—
2) to expand fleet of construction machinery and equipment	2) 擴充建築機械及設備	36,541	(36,541)	—
3) for working capital and general corporate purposes	3) 用作營運資金及一般企業用途	18,270	(18,270)	—
		182,703	(182,703)	—

資產抵押

於2021年6月30日，售後租回交易抵押的機械及設備的賬面值人民幣141.2百萬元(2020年12月31日：人民幣92.6百萬元)；人民幣105.0百萬元(2020年12月31日：人民幣71.6百萬元)的器械及設備已抵押作為若干銀行借款的擔保；及人民幣20.6百萬元(2020年12月31日：人民幣17.0百萬元)的銀行存款已抵押予銀行作為應付票據的擔保。

重大投資、重大收購及出售附屬公司、聯營公司及合營企業

截至2021年6月30日止六個月並無持有重大投資、重大收購或出售附屬公司、聯營公司及合營企業。

重大投資及資本資產的未來計劃

除本中期報告「資本承擔」一節所披露者外，本集團目前並無其他重大投資及資本資產計劃。

股息

截至2021年6月30日止六個月，董事會(「董事會」)並不建議派付任何股息。

所得款項用途

本公司股份於2020年3月18日在聯交所上市。扣除上市相關費用後，上市的所得款項淨額為人民幣182.7百萬元(「所得款項淨額」)。下表載列由上市日期至2021年6月30日的所得款項淨額實際使用進度：

CORPORATE GOVERNANCE AND OTHER INFORMATION

企業管治及其他資料

CORPORATE GOVERNANCE PRACTICES

The Company is committed to achieving and maintaining the highest standard of corporate governance as the Board recognises the importance of corporate governance to the long-term development of the Group. The corporate governance principles of the Group emphasis transparency, accountability and independence. The Board commits to continuously review and enhance the Group's corporate governance practices and procedures for the best interest of the Company's shareholders.

During the six months ended 30 June 2021, save as disclosed below in relation to Code Provision A.2.1 that the roles of Chairman and chief executive officer should be separate and should not be performed by the same individual, the Company has complied with all applicable code provisions as set out in the Corporate Governance Code (the "**Corporate Governance Code**") in Appendix 14 to the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

Chairman and Chief Executive Officer

Code Provision A.2.1 of the Corporate Governance Code stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Mr. Xun Minghong ("**Mr. Xun MH**") currently holds both positions. Mr. Xun MH is the founder of the Group. He has diversified knowledge and experience in the construction industry as well as a variety of business connection with a network of reputable construction enterprises and contractors in Fujian. The Board believes that vesting the roles of both Chairman of the Board and chief executive officer in the same person will provide strong and consistent leadership to the Company and allow the Company to be more effective and efficient in developing long term business strategies and execution of business plans that are in the best interests of the Company.

In addition, as all major decisions are made in consultation with members of the Board and relevant Board committees, and there are three independent non-executive Directors offering independent perspectives, the Board is of the view that there are adequate safeguards in place to ensure sufficient balance of powers within the Board.

The Board will continue to regularly review and monitor its corporate governance practices to ensure compliance with the Corporate Governance Code, and maintain a high standard of corporate governance practices of the Company.

企業管治常規

本公司致力實現並維持最高標準的企業管治，因董事會深明企業管治對本集團取得長遠發展至關重要。本集團的企業管治以強調透明度、問責性及獨立性為原則。董事會承諾持續檢討並加強本集團的企業管治常規及程序，以符合本公司股東的最佳利益。

截至2021年6月30日止六個月，除下文披露有關守則條文第A.2.1條規定主席與行政總裁的角色應有區分，不應由一人同時兼任外，本公司已遵守香港聯合交易所有限公司（「**聯交所**」）證券上市規則（「**上市規則**」）附錄十四企業管治守則（「**企業管治守則**」）所載的所有適用守則條文。

主席及行政總裁

企業管治守則的守則條文第A.2.1條規定主席與行政總裁的角色應有區分，不應由一人同時兼任。荀名紅先生（「**荀名紅先生**」）目前兼任該兩個職位。荀名紅先生為本集團的創始人。彼在建築行業擁有多元化知識及經驗，並於福建省知名建築企業及承包商關係網中擁有大量業務聯繫。董事會相信，由一人兼任董事會主席與行政總裁角色將為本公司提供強大一致的領導，並可讓本公司更有效及高效地制定長遠業務策略以及執行業務計劃，符合本公司的最佳利益。

此外，鑒於所有主要決定均與董事會及相關董事委員會成員磋商後作出，且三名獨立非執行董事可提供獨立意見，董事會認為已作出充分保障確保董事會的權力足夠平衡。

董事會將繼續定期審閱及監管企業管治常規，確保本公司遵守企業管治守則及維持本公司的高標準企業管治常規。

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) set out in Appendix 10 to the Listing Rules as its code of conduct regarding securities transactions by the Directors. The Company has made specific enquiries to each of the Director and all Directors have confirmed that they have fully complied with the required standard set out in the Model Code during the six months ended 30 June 2021.

BOARD OF DIRECTORS

The key responsibilities of the Board include formulation of the Group’s overall strategies, the setting of management targets and supervision of management performance. Some functions including the monitoring and approval of material transactions, matters involving a conflict of interest for a substantial shareholder or Director of the Company, the approval of interim and annual results, declaration of interim dividends and proposal of final dividends and other disclosures to the public or regulators are reserved by the Board for consideration and approval. Matters not specifically reserved to the Board and necessary for the daily management and operation of the Company are delegated to the executive Directors and the management of the Company.

Composition

The Board of Directors consists of three Executive Directors, three Non-executive Directors and three Independent Non-executive Directors.

In compliance with the requirements set out in Rule 3.10(2) of the Listing Rules, the Board consists of three Independent Non-executive Directors, one of them, namely Mr. Wong Kun Kau, possesses of appropriate professional qualifications or accounting or related financial management expertise. During the six months ended 30 June 2021 and up to the date of this interim report, the number of Independent Non-executive Directors represents at least one-third of the Board which is in compliance with Rule 3.10A. As such, the Company believes that there is a sufficient independence element in the Board to safeguard the interests of the shareholders of the Company.

Appointment and Resignation of Non-executive Director

On 30 March 2021, Mr. Zeng Guohua has tendered his resignation as a non-executive Director with effect from 30 March 2021 due to his other business commitments.

Mr. Wang Wei was appointed as a non-executive Director for an initial period of three years commencing from 30 March 2021. Mr. Wang is responsible for providing strategic advice to the business and operation of the Group.

董事進行證券交易的標準守則

本公司已採納上市規則附錄十所載上市發行人董事進行證券交易的標準守則(「**標準守則**」)，作為董事進行證券交易的行為守則。本公司已向各董事作出特定查詢，而全體董事均確認彼等已於截至2021年6月30日止六個月期間完全遵守標準守則所載的規定標準。

董事會

董事會的主要職責包括制訂本集團的整體策略、訂立管理目標，以及監察管理層的表現。若干職能留待董事會審議及批准，包括監察及批准重大交易、涉及本公司主要股東或董事的利益衝突事項、批准中期及全年業績、宣派中期股息及建議派發末期股息、以及向公眾或監管機關作其他披露。並非指定由董事會決定且屬本公司日常管理及營運所須進行的事宜，則授權執行董事及本公司管理層處理。

組成

董事會包括三名執行董事、三名非執行董事，及三名獨立非執行董事。

為符合上市規則第3.10(2)條之規定，董事會包括三名獨立非執行董事，彼等其中一人(即黃灌球先生)具備適當之專業資格，或會計或財務管理相關的專長。截至2021年6月30日止六個月及直至本中期報告日期，獨立非執行董事人數至少佔董事會成員人數的三分之一，符合第3.10A條的規定。因此，本公司相信董事會具備足夠獨立性以保障本公司股東的利益。

非執行董事委任及辭任

於2021年3月30日，曾國華先生因其他業務承擔提呈辭任非執行董事職務，自2021年3月30日起生效。

王偉先生獲委任為非執行董事，自2021年3月30日起初步為期三年。王先生負責為本集團的業務及營運提供策略建議。

Corporate Governance and Other Information

企業管治及其他資料

AUDIT COMMITTEE

The Company has established the Audit Committee of the Board (the "Audit Committee") on 18 February 2020 with written terms of reference in compliance with Rule 3.21 of the Listing Rules and the Corporate Governance Code as set out in Appendix 14 to the Listing Rules. The Audit Committee consists of three members, Mr. Wong Kun Kau, Mr. Zhu Diwu and Mr. Sze Irons B.B.S., JP. Mr. Wong Kun Kau is the chairman of the Audit Committee.

SHARE OPTIONS SCHEME

The Company has adopted the share option scheme on 18 February 2020. No share option has been granted, exercised, expired, cancelled or lapsed under the share option scheme since its adoption date and up to the date of this interim report.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the six months ended 30 June 2021, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

EVENTS AFTER THE END OF THE REPORTING PERIOD

No significant event took place subsequent to 30 June 2021 and up to the date of this interim report.

DISCLOSURE OF INTERESTS

Directors' Interest in the Company and Associated Corporation

As at 30 June 2021, interests or short positions the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which were required (i) pursuant to section 352 of the SFO, to be recorded in the register referred to therein, or (ii) pursuant to Model Code contained in Appendix 10 to the Listing Rules, to be notified to the Company and the Stock Exchange, were as follows:

Long position in ordinary shares of the Company

Name of Director	Capacity/Nature of Interest	Number of ordinary shares held/interested	Percentage of shareholding*
董事姓名	身份／權益性質	所持／擁有權益的普通股數目	持股百分比*
Mr. Xun MH 荀名紅先生	Interest in a controlled corporation ⁽¹⁾ 於受控制法團的權益 ⁽¹⁾	314,828,375	50.37%
Mr. Xun Liangbao ("Mr. Xun LB") 荀良寶先生(「荀良寶先生」)	Interest in a controlled corporation ⁽²⁾ 於受控制法團的權益 ⁽²⁾	45,444,125	7.27%

審核委員會

本公司已根據上市規則第3.21條及上市規則附錄十四所載的企業管治守則於2020年2月18日成立董事會審核委員會(「審核委員會」)，並以書面方式界定其職權範圍。審核委員會由三位成員組成，包括黃灌球先生、朱地武先生及施榮懷先生(銅紫荊星章，太平紳士)。黃灌球先生為審核委員會主席。

購股權計劃

本公司已於2020年2月18日採納購股權計劃。自採納日期起至本中期報告日期止，概無購股權根據購股權計劃授出、行使、屆滿、註銷或失效。

購買、出售或贖回上市證券

截至2021年6月30日止六個月，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

報告期末後事項

於2021年6月30日後及直至本中期報告日期並無發生重大事項。

權益披露

董事於本公司及相聯法團的權益

於2021年6月30日，本公司董事及主要行政人員於本公司或其任何相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)之股份、相關股份及債券證中擁有(i)根據證券及期貨條例第352條須登記於該條所述之登記冊內之權益或淡倉，或(ii)根據上市規則附錄十所載標準守則之規定而須知會本公司及聯交所之權益或淡倉如下：

於本公司普通股的好倉

Corporate Governance and Other Information 企業管治及其他資料

Notes:

1. The Company is directly held as to 299,156,250 shares and 15,672,125 shares by MHX Investment Limited (“**MHX Investment BVI**”) and JingH Investment Limited (“**JingH Investment BVI**”), respectively. MHX Investment BVI is wholly-owned by Mr. Xun MH. JingH Investment BVI is owned as to 36.99% by Mr. Xun MH. Mr. Xun MH is deemed to be interested in the aggregate number of shares that are held by MHX Investment BVI and JingH Investment BVI under the SFO.
 2. The Company is directly held as to 45,444,125 shares by Furi Investment Limited (“**Furi Investment BVI**”). Furi Investment BVI is owned as to 42.01% by Mr. Xun LB. Mr. Xun LB is deemed to be interested in the number of Shares that are held by Furi Investment BVI under the SFO.
- * The percentage represents the number of shares of the Company interested divided by the number of the Company's issued shares as at 30 June 2021.

Save as disclosed above, as at 30 June 2021, none of the Directors or chief executive of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), as recorded in the register of the Company required to be kept under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

附註：

1. 本公司分別由MHX Investment Limited (「**MHX Investment BVI**」)及JingH Investment Limited (「**晶海投資BVI**」)直接持有299,156,250股股份及15,672,125股股份。MHX Investment BVI由荀名紅先生全資擁有。晶海投資BVI由荀名紅先生擁有36.99%。根據證券及期貨條例，荀名紅先生被視為於MHX Investment BVI及晶海投資BVI所持的股份總數中擁有權益。
 2. 本公司由Furi Investment Limited (「**福瑞投資BVI**」)直接持有45,444,125股股份。福瑞投資BVI由荀良寶先生擁有42.01%。根據證券及期貨條例，荀良寶先生被視為於福瑞投資BVI所持的股份數目中擁有權益。
- * 該百分比指本公司擁有權益之股份數目除以本公司於2021年6月30日之已發行股份數目。

除上文所披露者外，於2021年6月30日，概無本公司董事或主要行政人員於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份或債權證中擁有根據證券及期貨條例第352條須記錄於由本公司所存置登記冊的任何權益或淡倉，或根據標準守則須另行知會本公司及聯交所的任何權益或淡倉。

Corporate Governance and Other Information

企業管治及其他資料

Substantial Shareholders' Interests in Shares in the Company other than Director

As at 30 June 2021, so far as our Directors or chief executive of our Company are aware, the following persons (other than a Director or chief executive of the Company) had interests or a short positions in shares or underlying shares of the Company, as recorded in the register of the Company required to be kept under Section 336 of the SFO:

Name of Shareholder	Capacity/Nature of Interest	Number of ordinary shares held/interested	Percentage of shareholding*
股東名稱／姓名	身份／權益性質	所持／擁有權益的普通股數目	持股百分比*
MHX Investment BVI	Beneficial owner ⁽¹⁾	299,156,250	47.87%
MHX Investment BVI	實益擁有人 ⁽¹⁾		
Ms. Song Dongling	Interest of spouse ⁽¹⁾	318,984,375	51.04%
宋冬玲女士	配偶權益 ⁽¹⁾		
CV Construction Capital Limited	Beneficial owner ⁽²⁾	102,937,500	16.47%
海創建設資本有限公司	實益擁有人 ⁽²⁾		
Conch Venture Development Limited	Interest in a controlled corporation ⁽²⁾	102,937,500	16.47%
海螺創業發展有限公司	於受控制法團的權益 ⁽²⁾		
Yijiang International Limited	Interest in a controlled corporation ⁽²⁾	102,937,500	16.47%
弋江國際有限公司	於受控制法團的權益 ⁽²⁾		
Shanghai Yijiang Investment Limited	Interest in a controlled corporation ⁽²⁾	102,937,500	16.47%
上海弋江投資有限公司	於受控制法團的權益 ⁽²⁾		
Anhui Conch Venture Investment	Interest in a controlled corporation ⁽²⁾	102,937,500	16.47%
安徽海螺創業投資	於受控制法團的權益 ⁽²⁾		
Furi Investment BVI	Beneficial owner ⁽³⁾	45,444,125	7.27%
福瑞投資BVI	實益擁有人 ⁽³⁾		
Ms. Leng Yan	Interest of spouse ⁽³⁾	45,444,125	7.27%
冷艷女士	配偶權益 ⁽³⁾		

Notes:

1. The Company is directly held as to 299,156,250 shares and 15,672,125 shares by MXH Investment BVI and JingH Investment BVI, respectively. MXH Investment BVI is wholly-owned by Mr. Xun MH. JingH Investment BVI is owned as to 36.99% by Mr. Xun MH. Mr. Xun MH is deemed to be interested in the same number of shares that are held by MXH Investment BVI and JingH Investment BVI under the SFO. Ms. Song Dongling is the spouse of Mr. Xun MH and is therefore deemed to be interested in the same number of shares in which Mr. Xun MH is interested under the SFO.

除董事以外主要股東於本公司股份的權益

於2021年6月30日，據本公司董事或主要行政人員所知，以下人士（本公司董事或主要行政人員除外）於本公司的股份或相關股份中擁有根據證券及期貨條例第336條須記錄於由本公司所存置登記冊的權益或淡倉：

Name of Shareholder	Capacity/Nature of Interest	Number of ordinary shares held/interested	Percentage of shareholding*
股東名稱／姓名	身份／權益性質	所持／擁有權益的普通股數目	持股百分比*
MHX Investment BVI	Beneficial owner ⁽¹⁾	299,156,250	47.87%
MHX Investment BVI	實益擁有人 ⁽¹⁾		
Ms. Song Dongling	Interest of spouse ⁽¹⁾	318,984,375	51.04%
宋冬玲女士	配偶權益 ⁽¹⁾		
CV Construction Capital Limited	Beneficial owner ⁽²⁾	102,937,500	16.47%
海創建設資本有限公司	實益擁有人 ⁽²⁾		
Conch Venture Development Limited	Interest in a controlled corporation ⁽²⁾	102,937,500	16.47%
海螺創業發展有限公司	於受控制法團的權益 ⁽²⁾		
Yijiang International Limited	Interest in a controlled corporation ⁽²⁾	102,937,500	16.47%
弋江國際有限公司	於受控制法團的權益 ⁽²⁾		
Shanghai Yijiang Investment Limited	Interest in a controlled corporation ⁽²⁾	102,937,500	16.47%
上海弋江投資有限公司	於受控制法團的權益 ⁽²⁾		
Anhui Conch Venture Investment	Interest in a controlled corporation ⁽²⁾	102,937,500	16.47%
安徽海螺創業投資	於受控制法團的權益 ⁽²⁾		
Furi Investment BVI	Beneficial owner ⁽³⁾	45,444,125	7.27%
福瑞投資BVI	實益擁有人 ⁽³⁾		
Ms. Leng Yan	Interest of spouse ⁽³⁾	45,444,125	7.27%
冷艷女士	配偶權益 ⁽³⁾		

附註：

1. 本公司分別由MXH Investment BVI及晶海投資BVI直接持有299,156,250股股份及15,672,125股股份。MXH Investment BVI由荀名紅先生全資擁有。晶海投資BVI由荀名紅先生擁有36.99%。根據證券及期貨條例，荀名紅先生被視為於MXH Investment BVI及晶海投資BVI所持的相同數目的股份中擁有權益。宋冬玲女士為荀名紅先生的配偶，因此，根據證券及期貨條例，其被視為於荀名紅先生擁有權益的相同數目的股份中擁有權益。

2. The Company is directly held as to 102,937,500 shares by CV Construction Capital Limited (“**CV Construction BVI**”). CV Construction BVI is wholly-owned by Conch Venture Development Limited (“**Conch Venture Development**”). Conch Venture Development is wholly-owned by Yijiang International Limited. Yijiang International Limited is wholly-owned by Shanghai Yijiang Investment Limited, which in turn is wholly-owned by Anhui Conch Venture Investment. Accordingly, each of Conch Venture Development, Yijiang International Limited, Shanghai Yijiang Investment Limited and Anhui Conch Venture Investment is deemed to be interested in the same number of shares that are held by CV Construction BVI under the SFO.
2. 本公司由海創建設資本有限公司(「**海創建設BVI**」)直接持有102,937,500股股份。海創建設BVI由海螺創業發展有限公司(「**海螺創業發展**」)全資擁有。海螺創業發展由弋江國際有限公司全資擁有，弋江國際有限公司由上海弋江投資有限公司全資擁有，而上海弋江投資有限公司由安徽海螺創業投資全資擁有。因此，根據證券及期貨條例，海螺創業發展、弋江國際有限公司、上海弋江投資有限公司及安徽海螺創業投資各自被視為於海創建設BVI持有的相同數目的股份中擁有權益。
3. The Company is directly held as to 45,444,125 shares by Furi Investment BVI. Furi Investment BVI is owned as to 42.01% by Mr. Xun LB. Mr. Xun LB is deemed to be interested in the number of shares that are held by Furi Investment BVI under the SFO. Ms. Leng Yan is the spouse of Mr. Xun LB and is therefore deemed to be interested in the same number of shares in which Mr. Xun LB is interested under the SFO.
3. 本公司由福瑞投資BVI直接持有45,444,125股股份。福瑞投資BVI由荀良寶先生擁有42.01%。根據證券及期貨條例，荀良寶先生被視為於福瑞投資BVI所持的股份數目中擁有權益。冷艷女士為荀良寶先生的配偶，因此，根據證券及期貨條例，其被視為於荀良寶先生擁有權益的相同數目的股份中擁有權益。
- * The percentage represents the number of shares of the Company interested divided by the number of the Company’s issued shares as at 30 June 2021.
- * 該百分比指本公司擁有權益之股份數目除以本公司於2021年6月30日之已發行股份數目。

Save as disclosed above, as at 30 June 2021, no person, other than the Directors, whose interests are set out in the section headed “Directors’ Interest in the Company and Associated Corporation” above, had registered an interest or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to section 336 of the SFO.

除上文所披露者外，於2021年6月30日，除於上文「董事於本公司及相聯法團的權益」一節所載之董事的權益外，概無人士於本公司股份或相關股份中擁有根據證券及期貨條例第336條須予登記之權益或淡倉。

REVIEW OF INTERIM FINANCIAL STATEMENTS

The interim financial report is unaudited, but has been reviewed by the Audit Committee. It has also been reviewed by KPMG in accordance with the Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity*, issued by the Hong Kong Institute of Certified Public Accountants. KPMG’s independent review report to the Board of Directors is included on page 30.

審閱中期財務報表

中期財務報告為未經審核，但已由審核委員會審閱，並已由畢馬威會計師事務所根據香港會計師公會頒佈的香港審閱工作準則第2410號「實體的獨立核數師對中期財務資料的審閱」審閱。畢馬威會計師事務所致董事會的獨立審閱報告載於第30頁。

REVIEW REPORT OF INTERIM FINANCIAL REPORT

中期財務報告審閱報告

**Review report to the Board of Directors of
Jianzhong Construction Development Limited**
(Incorporated in the Cayman Islands with limited liability)

INTRODUCTION

We have reviewed the interim financial report set out on pages 31 to 56 which comprises the consolidated statement of financial position of Jianzhong Construction Development Limited (the "Company") and its subsidiaries (together the "Group") as of 30 June 2021 and the related consolidated statement of profit or loss, statement of profit or loss and other comprehensive income, statement of changes in equity and condensed consolidated cash flow statement for the six month period then ended and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of an interim financial report to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34, *Interim financial reporting*, issued by the Hong Kong Institute of Certified Public Accountants. The directors are responsible for the preparation and presentation of the interim financial report in accordance with Hong Kong Accounting Standard 34.

Our responsibility is to form a conclusion, based on our review, on the interim financial report and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

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

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial report as at 30 June 2021 is not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34, *Interim financial reporting*.

KPMG

Certified Public Accountants
8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

27 August 2021

致建中建設發展有限公司董事會的審閱報告

(於開曼群島註冊成立的有限公司)

引言

本核數師(以下簡稱「我們」)已審閱載列於第31至56頁建中建設發展有限公司(「貴公司」)及其附屬公司(「貴集團」)的中期財務報告，包括截至2021年6月30日的綜合財務狀況表以及截至該日止六個月期間的綜合損益表、綜合損益及其他全面收益表、綜合權益變動表及簡明綜合現金流量表以及說明附註。香港聯合交易所有限公司證券上市規則規定，編製中期財務報告須符合當中所載相關規定及香港會計師公會頒佈的香港會計準則第34號「*中期財務報告*」。董事須負責根據香港會計準則第34號編製及呈列中期財務報告。

我們的責任是根據我們的審閱對中期財務報告作出結論，並按照雙方協定之業務約定條款，僅向全體董事會報告。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。

審閱範圍

我們已根據香港會計師公會頒佈的香港審閱工作準則第2410號「*實體獨立核數師對中期財務資料的審閱*」進行審閱。中期財務報告審閱工作包括詢問主要負責財務會計事務的人員，並實施分析及其他審閱程序。由於審閱的範圍遠較按照香港審計準則進行的審計的範圍為小，因此我們不能保證我們會注意到在審計中可能會被發現的所有重大事項。因此我們不會發表任何審計意見。

結論

根據我們的審閱工作，我們並沒有注意到任何事項，使我們相信於2021年6月30日的中期財務報告在所有重大方面並無按照香港會計準則第34號「*中期財務報告*」的規定編製。

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

2021年8月27日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

綜合損益表

For the six months ended 30 June 2021 — Unaudited (Expressed in Renminbi) 截至2021年6月30日止六個月 — 未經審核（以人民幣列示）

		Six months ended 30 June 截至6月30日止六個月	
		2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
		Note 附註	
Revenue	收益	2	611,531
Cost of sales	銷售成本		(515,222)
Gross profit	毛利		96,309
Other net income	其他淨收入	3	42,183
Administrative expenses	行政開支		(29,771)
Research and development costs	研發費用		(26,980)
Impairment losses on trade receivables and contract assets	貿易應收款項及合約 資產減值虧損	13	(10,976)
Other operating expenses	其他經營開支		(280)
Profit from operations	經營利潤		70,485
Finance costs	融資成本	4(a)	(19,202)
Profit before taxation	稅前利潤	4	51,283
Income tax	所得稅	5	(7,117)
Profit for the period	期內利潤		44,166
Earnings per share	每股盈利	6	
Basic and diluted (RMB)	基本及攤薄（人民幣）		0.07
			0.09

The notes on pages 37 to 56 form part of these financial statements. Details of dividends payable to equity shareholders of the Company are set out in Note 12(a).

第37至56頁的附註構成該等財務報表的一部分。應付本公司權益股東的股息詳情載於附註12(a)。

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收益表

For the six months ended 30 June 2021 — Unaudited (Expressed in Renminbi) 截至2021年6月30日止六個月 — 未經審核（以人民幣列示）

		Six months ended 30 June 截至6月30日止六個月	
		2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
Profit for the period	期內利潤	44,166	52,542
Other comprehensive income for the period	期內其他全面收益		
<i>Item that may be reclassified subsequently to profit or loss:</i>	<i>其後可能重新分類至損益的項目：</i>		
Exchange differences on translation of financial statements of operations outside mainland China	換算中國內地以外業務財務報表的匯兌差額	(112)	(153)
Other comprehensive income for the period	期內其他全面收益	(112)	(153)
Total comprehensive income for the period	期內全面收益總額	44,054	52,389

The notes on pages 37 to 56 form part of these financial statements.

第37至56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 30 June 2021 — Unaudited (Expressed in Renminbi) 於2021年6月30日 — 未經審核（以人民幣列示）

		Note	At 30 June 2021 於2021年 6月30日 RMB'000 人民幣千元	At 31 December 2020 於2020年 12月31日 RMB'000 人民幣千元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	7	585,791	477,276
Intangible assets	無形資產		3,134	3,618
Receivables under service concession arrangement	服務特許權安排項下的應收款項	9	27,340	29,201
Deferred tax assets	遞延稅項資產		3,047	1,219
Other non-current assets	其他非流動資產		19,742	25,108
			639,054	536,422
Current assets	流動資產			
Inventories	存貨		39,130	28,268
Contract assets	合約資產		568,558	581,612
Trade and other receivables	貿易及其他應收款項	8	864,536	881,427
Prepayments	預付款項		84,225	21,816
Receivables under service concession arrangement	服務特許權安排項下的應收款項	9	6,593	6,448
Restricted bank balances	受限制銀行結餘		20,581	17,042
Cash and cash equivalents	現金及現金等價物		143,509	200,884
			1,727,132	1,737,497
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付款項	10	767,374	753,934
Contract liabilities	合約負債		6,237	5,720
Loans and borrowings	貸款及借款	11	289,094	296,953
Current taxation	即期稅項		10,889	9,190
			1,073,594	1,065,797
Net current assets	流動資產淨額		653,538	671,700
Total assets less current liabilities	總資產減流動負債		1,292,592	1,208,122

Consolidated Statement of Financial Position

綜合財務狀況表

At 30 June 2021 — Unaudited (Expressed in Renminbi) 於2021年6月30日 — 未經審核（以人民幣列示）

		Note	At 30 June 2021 於2021年 6月30日 RMB'000 人民幣千元	At 31 December 2020 於2020年 12月31日 RMB'000 人民幣千元
Non-current liabilities	非流動負債			
Loans and borrowings	貸款及借款	11	135,905	89,541
Deferred tax liabilities	遞延稅項負債		3,271	2,661
Other non-current liabilities	其他非流動負債		26,834	22,575
			166,010	114,777
NET ASSETS	資產淨值		1,126,582	1,093,345
CAPITAL AND RESERVES	資本及儲備			
Share capital	股本		5,671	5,671
Reserves	儲備		1,120,911	1,087,674
TOTAL EQUITY	權益總額		1,126,582	1,093,345

Approved and authorised for issue by the board of directors on 27 August 2021.

於2021年8月27日獲董事會批准並獲授權發行。

Xun Minghong

荀名紅

Director

董事

He Wenlin

何文林

Director

董事

The notes on pages 37 to 56 form part of these financial statements.

第37至56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 six months ended 30 June 2021 — Unaudited (Expressed in Renminbi) 截至2021年6月30日止六個月 — 未經審核 (以人民幣列示)

	Note	Share capital	Share premium	Other reserves	Retained profits	Total
	附註	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Balance at 1 January 2020	於2020年1月1日的結餘	—*	—	477,529	346,603	824,132
Changes in equity for the six months ended 30 June 2020:	截至2020年6月30日止六個月的權益變動：					
Profit for the period	期內利潤	—	—	—	52,542	52,542
Other comprehensive income	其他全面收益	—	—	(153)	—	(153)
Total comprehensive income	全面收益總額	—	—	(153)	52,542	52,389
Appropriation to special reserve for production safety	就安全生產劃撥至專項儲備	—	—	3,044	(3,044)	—
Capitalisation issue	資本化發行	4,246	(4,246)	—	—	—
Issuance of ordinary shares upon initial public offering, net of listing expenses	於首次公開發售時發行普通股，扣除上市費用	1,425	208,992	—	—	210,417
Balance at 30 June 2020 and 1 July 2020	於2020年6月30日及2020年7月1日的結餘	5,671	204,746	480,420	396,101	1,086,938
Changes in equity for the six months ended 31 December 2020:	截至2020年12月31日止六個月的權益變動：					
Profit for the period	期內利潤	—	—	—	7,208	7,208
Other comprehensive income	其他全面收益	—	—	(969)	—	(969)
Total comprehensive income	全面收益總額	—	—	(969)	7,208	6,239
Appropriation to statutory reserve	劃撥至法定儲備	—	—	8,958	(8,958)	—
Appropriation to special reserve for production safety	就安全生產劃撥至專項儲備	—	—	13	(13)	—
Issuance of ordinary shares upon initial public offering, net of listing expenses	於首次公開發售時發行普通股，扣除上市費用	—	168	—	—	168
Balance at 31 December 2020	於2020年12月31日的結餘	5,671	204,914	488,422	394,338	1,093,345
Balance at 31 December 2020 and 1 January 2021	於2020年12月31日及2021年1月1日的結餘	5,671	204,914	488,422	394,338	1,093,345
Changes in equity for the six months ended 30 June 2021:	截至2021年6月30日止六個月的權益變動：					
Profit for the period	期內利潤	—	—	—	44,166	44,166
Other comprehensive income	其他全面收益	—	—	(112)	—	(112)
Total comprehensive income	全面收益總額	—	—	(112)	44,166	44,054
Appropriation to special reserve for production safety	就安全生產劃撥至專項儲備	—	—	3,460	(3,460)	—
Dividends approved in respect of the previous year	上一年度批准的股息	—	(10,817)	—	—	(10,817)
Balance at 30 June 2021	於2021年6月30日的結餘	5,671	194,097	491,770	435,044	1,126,582

* The balances represent amounts less than RMB1,000.

* 該等結餘金額不足人民幣1,000元。

The notes on pages 37 to 56 form part of these financial statements.

第37至56頁的附註構成該等財務報表的一部分。

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

簡明綜合現金流量表

For the six months ended 30 June 2021 — Unaudited (Expressed in Renminbi) 截至2021年6月30日止六個月 — 未經審核 (以人民幣列示)

		Six months ended 30 June 截至6月30日止六個月	
		2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
Operating activities	經營活動		
Cash generated from/(used in) operations	經營所得/(所用)現金	92,673	(104,363)
Income tax paid	已付所得稅	(6,636)	(3,182)
Net cash generated from/(used in) operating activities	經營活動所得/(所用)現金淨額	86,037	(107,545)
Investing activities	投資活動		
Payments for the purchase of property, plant and equipment	購買物業、廠房及設備付款	(114,676)	(40,264)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	7,052	4,779
Net cash used in investing activities	投資活動所用現金淨額	(107,624)	(35,485)
Financing activities	融資活動		
Proceeds from new bank loans	新借銀行貸款所得款項	125,927	6,000
Repayment of bank loans	償還銀行貸款	(114,538)	(7,420)
Payments of lease liabilities	租賃負債付款	(1,137)	(636)
Payment for acquisition of equipment by instalments	購買設備分期付款	(6,007)	(9,135)
Payments for capital element of obligations arising from sale and leaseback transactions	售後租回交易產生承擔的資本部分付款	(8,677)	(2,411)
Interests paid	已付利息	(20,397)	(6,256)
Dividends paid to equity shareholders of the company	已付本公司權益股東股息	(10,817)	—
Gross proceeds from initial public offering	首次公開發售所得款項總額	—	235,041
Payment of listing expenses	上市費用付款	(125)	(18,655)
Net cash (used in)/generated from financing activities	融資活動(所用)/所得現金淨額	(35,771)	196,528
Net (decrease)/increase in cash and cash equivalents	現金及現金等價物(減少)/增加淨額	(57,358)	53,498
Cash and cash equivalents at 1 January	於1月1日的現金及現金等價物	200,884	102,968
Effect of foreign exchanges rates changes	匯率變動的影響	(17)	—
Cash and cash equivalents at 30 June	於6月30日的現金及現金等價物	143,509	156,466

The notes on pages 37 to 56 form part of these financial statements.

第37至56頁的附註構成該等財務報表的一部分。

NOTES TO THE INTERIM FINANCIAL REPORT

中期財務報告附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，均以人民幣列示)

1 BASIS OF PREPARATION

The interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with Hong Kong Accounting Standard (HKAS) 34, *Interim financial reporting*, issued by the Hong Kong Institute of Certified Public Accountants (HKICPA). It was authorised for issue on 27 August 2021.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2020 annual financial statements.

The preparation of an interim financial report in conformity with HKAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of Jianzhong Construction Development Limited (the "Company") and its subsidiaries (together the "Group") since the 2020 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with HKFRSs.

The interim financial report is unaudited, but has been reviewed by KPMG in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity*, issued by the HKICPA. KPMG's independent review report to the Board of Directors is included on page 30.

The financial information relating to the financial year ended 31 December 2020 that is included in the interim financial report as comparative information does not constitute the Company's statutory financial statements for that financial year but is derived from those financial statements. The Company's auditor has expressed an unqualified opinion on those financial statements in its report dated 29 March 2021.

The HKICPA has issued a number of amendments to HKFRSs that are first effective for the current accounting period of the Group.

1 編製基準

中期財務報告乃按照香港聯合交易所有限公司證券上市規則的適用披露規定而編製，當中包括符合香港會計師公會所頒佈的香港會計準則第34號*中期財務報告*的規定。其於2021年8月27日獲授權刊發。

中期財務報告已按照2020年年度財務報表所採納的相同會計政策編製。

管理層於編製符合香港會計準則第34號的中期財務報告時，須按年初至今基準作出對所採用政策及所呈報的資產和負債、收入和開支金額造成影響的判斷、估計及假設。實際結果可能與該等估計有所不同。

本中期財務報告包含簡明綜合財務報表及部分說明附註。附註闡述了自2020年年度財務報表刊發以來，對瞭解建中建設發展有限公司（「本公司」）及其附屬公司（統稱為「本集團」）的財務狀況變動和表現而言屬重要的事件和交易。簡明綜合中期財務報表及其附註並不包括根據香港財務報告準則編製完整財務報表所需的一切資料。

中期財務報告乃未經審核，惟已由畢馬威會計師事務所根據香港會計師公會所頒佈的香港審閱工作準則第2410號*實體獨立核數師對中期財務資料的審閱*進行審閱。畢馬威會計師事務所為董事會編製的獨立審閱報告載於第30頁。

在中期財務報告內作為比較資料而呈列的有關截至2020年12月31日止財政年度的財務資料，並不構成本公司於該財政年度的法定財務報表，但乃摘錄自該等財務報表。本公司核數師於日期為2021年3月29日的報告內已對該等財務報表發表無保留意見。

香港會計師公會頒佈多項香港財務報告準則的修訂，該等修訂於本集團當前的會計期間首次生效。

Notes to the Interim Financial Report

中期財務報告附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，均以人民幣列示)

1 BASIS OF PREPARATION (CONTINUED)

None of the 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 in this interim financial report. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

2 REVENUE AND SEGMENT REPORTING

(a) Revenue

The principal activities of the Group are the provision of construction service, leasing of construction machinery, equipment and tools, and provision of sewage treatment service in mainland China.

(i) Disaggregation of revenue

		Six months ended 30 June 截至6月30日止六個月	
		2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
Revenue from contracts with customers within the scope of HKFRS 15	香港財務報告準則第15號範圍內來自客戶合約的收益		
Disaggregated by major products or service lines	按主要產品或服務線劃分		
— Revenue from construction service	— 建築服務收益	491,950	549,870
— Revenue from sewage treatment service	— 污水處理服務收益	2,668	2,297
— Others*	— 其他*	15,675	11,245
Revenue from other sources	其他來源的收益	510,293	563,412
— Revenue from leasing of construction machinery, equipment and tools	— 建築機械、設備及工具租賃收益	101,238	49,294
		611,531	612,706

* Others mainly represents sales of construction materials and provision of certain logistic services.

* 其他主要指建築材料銷售收益以及提供物流服務收益。

1 編製基準(續)

修訂對本集團本期或過往期間已編製或於本中期財務報告呈報的業績及財務狀況並無重大影響。本集團並無採納於本會計期間尚未生效的任何新準則或詮釋。

2 收益及分部報告

(a) 收益

本集團的主營業務是在中國內地提供建築服務、租賃建築機械、設備及工具以及提供污水處理服務。

(i) 收益劃分

Notes to the Interim Financial Report

中期財務報告附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，均以人民幣列示)

2 REVENUE AND SEGMENT REPORTING (CONTINUED)

(a) Revenue (Continued)

(i) Disaggregation of revenue (Continued)

		Six months ended 30 June 截至6月30日止六個月	
		2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
Disaggregated by timing of revenue recognition	按收益確認時間劃分		
— Over time	— 隨時間	595,856	601,461
— Point in time	— 於某一指定時間點	15,675	11,245
Total	總計	611,531	612,706

Revenue from major customers which accounts for 10% or more of the Group's revenue are set out below:

收益佔本集團收益10%或以上的主要客戶載列如下：

		Six months ended 30 June 截至6月30日止六個月	
		2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
Customer B	客戶B	253,278	61,722
Customer A	客戶A	148,842	336,128

(b) Segment reporting

The Group manages its businesses by service lines. 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. No geographical segment analysis is presented as substantially all assets, liabilities, revenue and gross profit of the Group are attributable to the operations in the PRC.

(b) 分部報告

本集團按服務線管理其業務。按與向本集團最高行政管理層內部呈報以分配資源及評估表現的資料一致的方式。由於本集團絕大部分資產、負債、收益及毛利源於中國的業務，故此並無呈列地域分部分析。

Notes to the Interim Financial Report

中期財務報告附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，均以人民幣列示)

2 REVENUE AND SEGMENT REPORTING (CONTINUED)

(b) Segment reporting (Continued)

The Group has four separate segments as follows:

- Provision of construction service (“Construction service”);
- Provision of leasing services of construction machinery, equipment and tools (“Leasing of construction machinery, equipment and tools”);
- Provision of sewage treatment service (“Sewage treatment operation”); and
- Sales of construction materials and others (“Others”).

For the purposes of assessing segment performance and allocating resources between segments, the Group’s senior executive management monitors the results based on the revenue and gross profits of Construction service, Leasing of construction machinery, equipment and tools, Sewage treatment operation and Others.

2 收益及分部報告(續)

(b) 分部報告(續)

本集團有下列四個獨立的分部：

- 提供建築服務(「建築服務」)；
- 提供建築機械、設備及工具租賃服務(「建築機械、設備及工具租賃」)；
- 提供污水處理服務(「污水處理業務」)；及
- 建築材料銷售以及其他(「其他」)。

就評估分部表現及分配分部間資源而言，本集團的高級行政管理層根據建築服務、建築機械、設備及工具租賃、污水處理業務及其他的收益及毛利監察業績。

		Construction service	Leasing of construction machinery, equipment and tools	Sewage treatment operation	Others	Total
		建築服務	建築機械、設備及工具租賃	污水處理業務	其他	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
For the six months ended 30 June 2021	截至2021年6月30日止六個月					
Revenue	收益	491,950	101,238	2,668	15,675	611,531
Cost of sales	銷售成本	(433,724)	(64,415)	(2,029)	(15,054)	(515,222)
Reportable segment gross profits	報告分部毛利	58,226	36,823	639	621	96,309
For the six months ended 30 June 2020	截至2020年6月30日止六個月					
Revenue	收益	549,870	49,294	2,297	11,245	612,706
Cost of sales	銷售成本	(408,336)	(29,375)	(1,991)	(10,518)	(450,220)
Reportable segment gross profits	報告分部毛利	141,534	19,919	306	727	162,486

Notes to the Interim Financial Report

中期財務報告附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，均以人民幣列示)

2 REVENUE AND SEGMENT REPORTING (CONTINUED)

(b) Segment reporting (Continued)

Substantially all of the Group's revenue were arising from mainland China. The Group does not allocate any specific assets or expenditure for property, plant and equipment to the operating segments as the Group's senior executive management does not use the information to measure the performance of the reportable segments.

3 OTHER NET INCOME

2 收益及分部報告(續)

(b) 分部報告(續)

本集團絕大部分收益均源自中國內地。由於本集團高級行政管理層並無使用有關資料衡量報告分部的表現，本集團並無就物業、廠房及設備分配任何特別資產或開支至經營分部。

3 其他淨收入

Six months ended 30 June
截至6月30日止六個月

		2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
Interest income	利息收入	1,417	1,912
Government grants*	政府補貼*	6,345	1,335
Gain on disposal of property, plant and equipment	出售物業、廠房及設備收益	34,217	3,897
Others	其他	204	694
		42,183	7,838

* Government grants mainly represented reward for listing and the obtaining of High-tech Enterprise qualification. There were no unfulfilled conditions relating to the grants.

* 政府補貼主要為就上市及獲得高新技術企業資格之獎勵，該等補貼並沒有未達成之條件。

4 PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging:

(a) Finance costs

4 稅前利潤

稅前利潤已扣除：

(a) 融資成本

Six months ended 30 June
截至6月30日止六個月

		2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
Interest on bank loans and other borrowings	銀行貸款及其他借款利息	14,561	4,597
Interest on lease liabilities	租賃負債的利息	32	27
Finance charges on sale and leaseback transactions	售後租回交易的財務費用	1,277	184
Interest on acquisition of equipment by instalments	以分期付款購入設備產生的利息	1,838	1,047
Other borrowing costs	其他借貸成本	1,494	1,047
		19,202	6,902

Notes to the Interim Financial Report

中期財務報告附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，均以人民幣列示)

4 PROFIT BEFORE TAXATION (CONTINUED) (b) Staff costs (including directors' emoluments)

4 稅前利潤(續) (b) 員工成本(包括董事酬金)

Six months ended 30 June
截至6月30日止六個月

	2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
Salaries, wages and other benefits Contributions to defined contribution retirement benefit schemes	42,040	22,954
	1,361	155
	43,401	23,109

(c) Other items

(c) 其他項目

Six months ended 30 June
截至6月30日止六個月

	2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
Depreciation — property, plant and equipment owned — right-of-use assets	43,880	45,104
	105	493
	43,985	45,597
Amortisation of intangible assets Expenses relating to short-term leases	484	45
Labour subcontracting fee	14,287	11,345
Listing expenses	226,743	160,893
	—	7,453

Notes to the Interim Financial Report

中期財務報告附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，均以人民幣列示)

5 INCOME TAX

5 所得稅

		Six months ended 30 June 截至6月30日止六個月	
		2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
Current tax	即期稅項	8,335	15,755
Deferred tax	遞延稅項	(1,218)	(4,890)
		7,117	10,865

Notes:

- (i) Pursuant to the rules and regulations of the Cayman Islands and the BVI, the Group is not subject to any income tax in the Cayman Islands and the BVI.
- (ii) No provision was made for Hong Kong Profits Tax as the Group did not earn any assessable profit that was subject to Hong Kong Profits Tax for the six months ended 30 June 2021 (six months ended 30 June 2020: nil).
- (iii) The Group's subsidiaries in mainland China is subject to PRC corporate income tax at the statutory rate of 25%.

On 7 January 2020, Fujian Jianzhong Construction Technology Co., Ltd. ("Jianzhong Construction Technology"), an indirect wholly-owned subsidiary of the Company, obtained the state-level approval for its application of High-tech Enterprise qualification and was granted the qualification with effect from 2 December 2019. In accordance with the PRC Corporate Income Tax Law ("CIT Law"), the High-tech Enterprise qualification will be valid for a period of three years from 2019 to 2021 and entitles Jianzhong Construction Technology to a reduced tax rate at 15% during this period.

In December 2020, Fujian Jianzhong Yantu Engineering Co., Ltd. (originally named "Fujian Jinghai Engineering Service Co., Ltd.") ("Jianzhong Yantu"), another indirect wholly-owned subsidiary of the Company, obtained the state-level approval for its application of High-tech Enterprise qualification and was granted the qualification with effect from 1 December 2020. In accordance with the CIT Law, the High-tech Enterprise qualification will be valid for a period of three years from 2020 to 2022 and entitles Jianzhong Yantu to a reduced tax rate at 15% during this period.

附註：

- (i) 根據開曼群島及英屬處女群島的規則及法規，本集團毋須繳納開曼群島及英屬處女群島的任何所得稅。
- (ii) 截至2021年6月30日止六個月，由於本集團並無賺取任何須繳納香港利得稅的應課稅溢利，因此並無就香港利得稅作出撥備（截至2020年6月30日止六個月：無）。
- (iii) 本集團於中國內地的附屬公司須按25%的法定稅率繳納中國企業所得稅。

福建建中建設科技有限責任公司（「建中建設科技」，本公司的間接全資附屬公司）申請高新技術企業資格並於2020年1月7日獲得國家級批准，其獲得之資格於2019年12月2日起生效。根據《中華人民共和國企業所得稅法》（「企業所得稅法」），高新技術企業資格的有效期為三年（即從2019年至2021年），建中建設科技於期內享受減按15%的稅率。

福建建中岩土工程有限責任公司（曾用名「福建省晶海工程服務有限公司」）（「建中岩土」，本公司另一家間接全資附屬公司）申請高新技術企業資格並於2020年12月獲得國家級批准，其獲得之資格於2020年12月1日起生效。根據企業所得稅法，高新技術企業資格的有效期為三年（即從2020年至2022年），建中岩土於期內享受減按15%的稅率。

Notes to the Interim Financial Report

中期財務報告附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，均以人民幣列示)

6 EARNINGS PER SHARE

The calculation of basic earnings per share is based on the profit attributable to equity shareholder of the Company of RMB44,166,000 (six months ended 30 June 2020: RMB52,542,000) and the weighted average of 625,000,000 ordinary shares in issue (six months ended 30 June 2020: 558,894,000 shares as if the reorganisation and capitalisation issue had been effective throughout the period presented), calculated as follows:

Weighted average number of ordinary shares

		Six months ended 30 June 截至6月30日止六個月	
		2021 2021年 shares '000 千股	2020 2020年 shares '000 千股
Issued ordinary shares at 1 January	於1月1日的已發行普通股	625,000	10
Capitalisation issue	資本化發行	—	468,740
Effect of issue of 156,250,000 ordinary shares upon initial public offering on 18 March 2020	於2020年3月18日首次公開發售後發行156,250,000股普通股的影響	—	90,144
Weighted average number of ordinary shares at 30 June	於6月30日的加權平均普通股數目	625,000	558,894

Diluted earnings per share is equal to basic earnings per share as there were no dilutive potential shares outstanding for the six months ended 30 June 2021 and 2020.

7 PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2021, the Group acquired items of plant and machinery with a cost of RMB177,970,000 (six months ended 30 June 2020: RMB59,560,000). Items of machinery, equipment and tools with a net book value of RMB25,470,000 were disposed of during the six months ended 30 June 2021 (six months ended 30 June 2020: RMB20,106,000), resulting in a gain on disposal of RMB34,217,000 (six months ended 30 June 2020: RMB3,897,000).

6 每股盈利

每股基本盈利乃根據本公司權益股東應佔溢利人民幣44,166,000元(截至2020年6月30日止六個月:人民幣52,542,000元)及加權平均數625,000,000股已發行普通股(截至2020年6月30日止六個月:558,894,000股)計算,猶如重組及資本化發行於整個呈報期間一直生效,計算方法如下:

加權平均普通股數目

		Six months ended 30 June 截至6月30日止六個月	
		2021 2021年 shares '000 千股	2020 2020年 shares '000 千股
Issued ordinary shares at 1 January	於1月1日的已發行普通股	625,000	10
Capitalisation issue	資本化發行	—	468,740
Effect of issue of 156,250,000 ordinary shares upon initial public offering on 18 March 2020	於2020年3月18日首次公開發售後發行156,250,000股普通股的影響	—	90,144
Weighted average number of ordinary shares at 30 June	於6月30日的加權平均普通股數目	625,000	558,894

由於截至2021年及2020年6月30日止六個月並無具攤薄潛力的發行在外股份,因此每股攤薄盈利等於每股基本盈利。

7 物業、廠房及設備

截至2021年6月30日止六個月,本集團以成本人民幣177,970,000元(截至2020年6月30日止六個月:人民幣59,560,000元)購入廠房及機器項目。截至2021年6月30日止六個月,出售賬面淨值為人民幣25,470,000元(截至2020年6月30日止六個月:人民幣20,106,000元)的機器、設備及工具項目,產生出售收益人民幣34,217,000元(截至2020年6月30日止六個月:人民幣3,897,000元)。

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，均以人民幣列示)

7 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(a) Property, plant and equipment pledged for loans and borrowings

- (i) The Group had obtained specific bank loans to acquire some machinery and equipment and these machinery and equipment were pledged to the bank until the settlement of the corresponding bank loans. As at 30 June 2021, the carrying amounts of the machinery and equipment pledged for these bank loans were RMB105,015,000 (31 December 2020: RMB71,615,000). Please refer to Note 11(a)(ii) for details of the loan.
- (ii) The Group sold some of its machinery and equipment to external parties and leased them back for a term of 3 to 4 years. The Group determined the transfers to buyer-lessor were not sales under HKFRS15, thus the Group continues to recognise the underlying assets, and recognises financial liabilities for the considerations. No gain or loss were recognised from the sale and leaseback transactions for the period during the six months ended 30 June 2021. As at 30 June 2021, the carrying amounts of the machinery and equipment pledged for the aforementioned sale and leaseback transactions were RMB141,237,000 (31 December 2020: RMB92,585,000). Please refer to Note 11(c) for details.

7 物業、廠房及設備(續)

(a) 就貸款及借款抵押的物業、廠房及設備

- (i) 本集團已獲得專項銀行貸款以購買部分機械及設備，而該等機械及設備已抵押予銀行，直至清償相應的銀行貸款為止。於2021年6月30日，就該等銀行貸款抵押的機械及設備的賬面金額為人民幣105,015,000元(2020年12月31日：人民幣71,615,000元)。有關貸款詳情請參閱附註11(a)(ii)。
- (ii) 本集團對外出售部分機械及設備並於售後租回該等機械及設備，為期3至4年。本集團確認向買方——出租人作出的轉讓並非香港財務報告準則第15號項下所界定的銷售，故本集團繼續確認相關資產，並就代價確認金融負債。於截至2021年6月30日止六個月期間的售後租回交易並未確認任何收益或虧損。於2021年6月30日，就上述售後租回交易抵押的機械及設備的賬面金額為人民幣141,237,000元(2020年12月31日：人民幣92,585,000元)。詳情請參閱附註11(c)。

Notes to the Interim Financial Report

中期財務報告附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，均以人民幣列示)

8 TRADE AND OTHER RECEIVABLES

As of the end of the reporting period, the ageing analysis of trade and bills receivables (which are included in trade and other receivables), based on date of progress certificates or date of issuance of bills and net of loss allowance, is as follows:

		At 30 June 2021 於2021年 6月30日 RMB'000 人民幣千元	At 31 December 2020 於2020年 12月31日 RMB'000 人民幣千元
Within 1 month	1個月內	175,721	130,223
More than 1 month but within 3 months	1至3個月	167,921	192,551
More than 3 months but within 6 months	3至6個月	113,105	179,168
More than 6 months but within 12 months	6至12個月	188,097	231,328
More than 12 months	超過12個月	173,842	104,035
Trade and bills receivables, net of loss allowance	貿易應收款項及應收票據，扣除損失撥備	818,686	837,305
Deposits and other receivables	按金及其他應收款項	45,850	44,122
		864,536	881,427

As part of its normal business, the Group has entered into certain factoring agreements with certain banks and factoring companies. During the period ended 30 June 2021, outstanding trade receivables of RMB216,546,000 (six months ended 30 June 2020: RMB382,242,000) were transferred to certain banks or factoring companies in accordance with non-recourse factoring agreements, and the corresponding trade receivables were derecognised as the directors are of the opinion that the substantial risks and rewards associated with the trade receivables have been transferred and therefore these receivables were qualified for derecognition.

As at 30 June 2021, outstanding commercial bills of RMB1,596,000 (31 December 2020: RMB18,499,000) were endorsed to certain suppliers with recourse and the Group continued to recognise the corresponding receivables. The associated liabilities with the same amount were included in trade and other payables (Note 10).

As at 30 June 2021, outstanding commercial acceptance bills of RMB24,674,000 (31 December 2020: RMB49,957,000) were discounted to banks with recourse and were not derecognised. The associated liabilities with the same amount were included in bank loans (Note 11).

8 貿易及其他應收款項

於報告期末，按進度證明日期或票據開具日期劃分並扣除損失準備的貿易應收款項及應收票據(計入貿易及其他應收款項)的賬齡分析如下：

	At 30 June 2021 於2021年 6月30日 RMB'000 人民幣千元	At 31 December 2020 於2020年 12月31日 RMB'000 人民幣千元
Within 1 month	175,721	130,223
More than 1 month but within 3 months	167,921	192,551
More than 3 months but within 6 months	113,105	179,168
More than 6 months but within 12 months	188,097	231,328
More than 12 months	173,842	104,035
Trade and bills receivables, net of loss allowance	818,686	837,305
Deposits and other receivables	45,850	44,122
	864,536	881,427

作為本集團的正常業務的一部分，本集團已與若干銀行及保理公司訂立若干保理協議。截至2021年6月30日止期間，金額為人民幣216,546,000元(截至2020年6月30日止六個月：人民幣382,242,000元)的尚未償還貿易應收款項根據無追索權保理協議轉讓予若干銀行或保理公司，且相應貿易應收款項終止確認，由於董事們認為與貿易應收款項相關的重大風險與回報已轉移，因此該等應收款項符合終止確認的資格。

於2021年6月30日，金額為人民幣1,596,000元(2020年12月31日：人民幣18,499,000元)的未償還商業票據向若干供應商背書(附追索權)，本集團繼續確認相應應收款項。具相同金額的相關負債計入貿易及其他應付款項(附註10)。

於2021年6月30日，金額為人民幣24,674,000元(2020年12月31日：人民幣49,957,000元)的尚未償還商業承兌票據已貼現予銀行(附追索權)，並未終止確認。具相同金額的相關負債計入銀行貸款(附註11)。

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，均以人民幣列示)

8 TRADE AND OTHER RECEIVABLES (CONTINUED)

According to the payment terms in contracts, the Group is entitled to request for progress payments that are usually measured by reference to a prescribed percentage of the certified amount of work completed. Further details on the credit risk arising from trade receivables are set out in Note 13.

9 RECEIVABLES UNDER SERVICE CONCESSION ARRANGEMENT

The Group's receivables under service concession arrangement in respect of sewage treatment service concession arrangement are as follows:

8 貿易及其他應收款項(續)

根據合約的支付條款，本集團有權要求支付進度款，通常參考經核證已完工工程金額的特定百分比計量。貿易應收款項產生的信貸風險之進一步詳情載於附註13。

9 服務特許權安排項下的應收款項

本集團涉及污水處理服務特許權安排的服务特許權安排項下的應收款項載列如下：

		At 30 June 2021 於2021年 6月30日 RMB'000 人民幣千元	At 31 December 2020 於2020年 12月31日 RMB'000 人民幣千元
Non-current portion	非即期部分	27,340	29,201
Current portion	即期部分	6,593	6,448
		33,933	35,649
Expected collection schedule is as follows:	預計收取時間表如下：		
Within 1 year	1年內	6,593	6,448
After 1 year but within 5 years	1至5年	14,238	14,334
After 5 years but within 10 years	5至10年	13,102	14,867
		33,933	35,649

The effective interest rate for the above financial assets was 3.85% per annum.

上述金融資產的實際年利率為3.85%。

Notes to the Interim Financial Report

中期財務報告附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，均以人民幣列示)

10 TRADE AND OTHER PAYABLES

As of the end of the reporting period, the ageing analysis of trade and bills payable (which are included in trade and other payables), based on the invoice date/transaction date, is as follows:

10 貿易及其他應付款項

截至報告期末，按發票日期／交易日期劃分之貿易應付款項及應付票據(計入貿易及其他應付款項)之賬齡分析如下：

		At 30 June 2021 於2021年 6月30日 RMB'000 人民幣千元	At 31 December 2020 於2020年 12月31日 RMB'000 人民幣千元
Within 1 month	1個月內	105,255	178,426
More than 1 month but within 3 months	1至3個月	125,947	99,529
More than 3 months but within 6 months	3至6個月	108,138	88,330
More than 6 months but within 12 months	6至12個月	80,937	62,392
More than 12 months	超過12個月	97,908	104,734
Total creditors and bills payable	應付債項及應付票據總額	518,185	533,411
Suppliers of property, plant and equipment	物業、廠房及設備供應商	63,282	73,204
Other payables and accruals	其他應付款項及應計款項	183,377	126,691
Obligation for bills endorsed with recourse	具追索權的背書票據責任	1,596	18,499
Interest payable	應付利息	934	2,129
		767,374	753,934

Notes to the Interim Financial Report

中期財務報告附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，均以人民幣列示)

11 LOANS AND BORROWINGS

11 貸款及借款

		Note 附註	At 30 June 2021 於2021年 6月30日 RMB'000 人民幣千元	At 31 December 2020 於2020年 12月31日 RMB'000 人民幣千元
Non-current	非即期			
Bank loans and other borrowings	銀行貸款及其他借款	(a)		
— secured	— 有擔保		71,544	56,131
Lease liabilities	租賃負債	(b)	—	44
Obligations arising from sale and leaseback transactions	售後租回交易產生的義務	(c)	64,361	33,366
			135,905	89,541
Current	即期			
Bank loans and other borrowings	銀行貸款及其他借款	(a)		
— secured	— 有擔保		259,389	279,220
Lease liabilities	租賃負債	(b)	6	1,099
Obligations arising from sale and lease back transactions	售後租回交易產生的義務	(c)	29,699	16,634
			289,094	296,953
Total	總計		424,999	386,494

(a) Bank loans and other borrowings

Bank loans and other borrowings were repayable as follows:

(a) 銀行貸款及其他借款

銀行貸款及其他借款還款安排如下所示：

		At 30 June 2021 於2021年 6月30日 RMB'000 人民幣千元	At 31 December 2020 於2020年 12月31日 RMB'000 人民幣千元
Less than 1 year	一年內	259,389	279,220
1 to 2 years	一至兩年	27,866	19,015
2 to 5 years	兩至五年	43,678	37,116
		330,933	335,351

Notes to the Interim Financial Report

中期財務報告附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，均以人民幣列示)

11 LOANS AND BORROWINGS (CONTINUED)

(a) Bank loans and other borrowings (Continued)

Note:

- (i) As at 30 June 2021, bank loans of RMB106,669,000 (31 December 2020: RMB210,229,000) were all secured by pledged properties of an independent property developer, among which bank loan of RMB50,000,000 (31 December 2020: RMB50,000,000) was also guaranteed by an indirect wholly-owned subsidiary of the Company.
- (ii) As at 30 June 2021, bank loans of RMB88,069,000 (31 December 2020: RMB75,165,000) were secured by pledged machinery and equipment of the Group, please refer to Note 7(a)(i) for details.
- (iii) As at 30 June 2021, bank loans of RMB24,673,000 (31 December 2020: RMB49,957,000) were related to the outstanding commercial acceptance bills discounted to banks with recourse.
- (iv) In July 2020, Jianzhong Construction Technology entered into a credit line agreement, pursuant to which Jianzhong Construction Technology was granted bank facilities of up to RMB150,000,000. Such bank facilities were guaranteed by the Company, the controlling shareholder of the Company and an independent property developer with a guarantee fee based on the drawdown amount. As at 30 June 2021, bank loans of RMB100,000,000 (31 December 2020: RMB100,000,000) and undrawn bank facilities that are available for use of RMB50,000,000 (31 December 2020: RMB50,000,000) were guaranteed by the controlling shareholder of the Company.
- (v) In June 2021, Jianzhong Construction Technology entered into a credit line agreement with a financial institute to purchase certain equipment on instalment, pursuant to which Jianzhong Construction Technology was granted credit amount up to RMB20,000,000. As at 30 June 2021, the borrowings of RMB11,522,000 and unused credit amount that are available for use of RMB38,478,000 were guaranteed by the controlling shareholder of the Company and the equipment supplier.

11 貸款及借款(續)

(a) 銀行貸款及其他借款(續)

附註：

- (i) 於2021年6月30日，銀行貸款人民幣106,669,000元(2020年12月31日：人民幣210,229,000元)均以一間獨立房地產開發商之抵押物業作為抵押，其中銀行貸款人民幣50,000,000元(2020年12月31日：人民幣50,000,000元)亦由本公司之間接全資附屬公司提供擔保。
- (ii) 於2021年6月30日，銀行貸款人民幣88,069,000元(2020年12月31日：人民幣75,165,000元)以本集團的已抵押機械及設備作為抵押，詳情請參閱附註7(a)(i)。
- (iii) 於2021年6月30日，銀行貸款人民幣24,673,000元(2020年12月31日：人民幣49,957,000元)與本集團已貼現予銀行的尚未償還商業承兌票據(附追索權)有關。
- (iv) 於2020年7月，建中建設科技訂立授信協議，據此，建中建設科技獲授最高為人民幣150,000,000元的銀行融資。有關銀行融資由本公司、本公司控股股東及一名獨立房地產開發商作擔保，擔保費根據提取金額收取。於2021年6月30日，銀行貸款人民幣100,000,000元(2020年12月31日：人民幣100,000,000元)及未提取的可供使用銀行融資人民幣50,000,000元(2020年12月31日：人民幣50,000,000元)由本公司控股股東提供擔保。
- (v) 於2021年6月，建中建設科技與一家金融機構訂立授信協議以分期付款方式購買若干設備，據此，建中建設科技獲授最高為人民幣20,000,000元的授信額度。於2021年6月30日，借款人民幣11,522,000元及未動用的可供使用授信額度人民幣38,478,000元由本公司控股股東及設備供應商提供擔保。

Notes to the Interim Financial Report

中期財務報告附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，均以人民幣列示)

11 LOANS AND BORROWINGS (CONTINUED)

(b) Lease liabilities

Maturity analysis-contractual undiscounted cash flows

		At 30 June 2021 於2021年 6月30日 RMB'000 人民幣千元	At 31 December 2020 於2020年 12月31日 RMB'000 人民幣千元
Less than 1 year	一年內	8	1,125
1 to 2 years	一至兩年	—	45
Total undiscounted lease liabilities	未貼現租賃負債總額	8	1,170
Less: total future interest expenses	減：未來利息開支總額	(2)	(27)
Lease liabilities included in the consolidated statements of financial position	計入綜合財務狀況表的租賃負債	6	1,143

Maturity analysis-present value of lease liabilities

到期分析 — 租賃負債的現值

		At 30 June 2021 於2021年 6月30日 RMB'000 人民幣千元	At 31 December 2020 於2020年 12月31日 RMB'000 人民幣千元
Less than 1 year	一年內	6	1,099
1 to 2 years	一至兩年	—	44
Present value of lease liabilities	租賃負債的現值	6	1,143

Notes to the Interim Financial Report

中期財務報告附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，均以人民幣列示)

11 LOANS AND BORROWINGS (CONTINUED)

(c) Obligations arising from sale and leaseback transactions

Obligations arising from sale and leaseback transactions were repayable as below:

		At 30 June 2021 於2021年 6月30日 RMB'000 人民幣千元	At 31 December 2020 於2020年 12月31日 RMB'000 人民幣千元
Less than 1 year	一年內	33,835	18,707
1 to 2 years	一至兩年	32,440	17,970
2 to 5 years	兩至五年	36,141	17,173
Total undiscounted obligations arising from sale and leaseback transactions	未貼現售後租回交易產生義務總額	102,416	53,850
Less: total future interest expenses	減：未來利息開支總額	(8,356)	(3,850)
Obligations arising from sale and leaseback transactions included in the consolidated statements of financial position	計入綜合財務狀況表的售後租回交易產生的義務	94,060	50,000

All obligations arising from sale and leaseback transactions were secured by machinery and equipment as mentioned in Note 7(a)(ii) and were guaranteed by the controlling shareholder of the Group as at 30 June 2021 and 2020.

11 貸款及借款(續)

(c) 售後租回交易產生的義務

售後租回交易產生的義務的還款安排如下：

於2021年及2020年6月30日，售後租回交易產生的所有義務以附註7(a)(ii)所述的相關機器及設備作為抵押及由本集團控股股東提供擔保。

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，均以人民幣列示)

12 CAPITAL, RESERVES AND DIVIDENDS**(a) Dividends**

Dividends payable to equity shareholders attributable to the previous financial year, approved and paid during the interim period:

		Six months ended 30 June 截至6月30日止六個月	
		2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
Final dividend of HK2.08 cents per share (2020: Nil)	末期股息每股股份2.08港仙 (2020年：無)	10,817	—

No dividend was declared for the six months ended 30 June 2021 and 2020.

(b) Share premium

Under the Companies Law of the Cayman Islands, the share premium account of the Company is distributable to the equity shareholders of the Company provided that immediately following the date on which the dividend is proposed to be distributed, the Company would be in a position to pay off its debts as they fall due in the ordinary course of business.

13 CREDIT RISK

The Group's credit risk is primarily attributable to trade receivables, bills receivable, contract assets and receivables under service concession arrangement. Management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis.

The Group has established a credit risk management policy under which individual credit evaluations are performed on all customers. These evaluations focus on the customer's history of making payments 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. Normally, the Group does not obtain collateral from customers.

12 資本、儲備及股息**(a) 股息**

於中期期間批准及支付的過往財政年度應付權益股東的股息：

		Six months ended 30 June 截至6月30日止六個月	
		2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
Final dividend of HK2.08 cents per share (2020: Nil)	末期股息每股股份2.08港仙 (2020年：無)	10,817	—

截至2021年及2020年6月30日止六個月並無宣派任何股息。

(b) 股份溢價

根據開曼群島公司法，本公司股份溢價賬可供分派股息予本公司權益股東，前提為緊隨建議分派股息當日後，本公司將會有能力於其正常業務過程中付清其到期債務。

13 信貸風險

本集團的信貸風險主要來自貿易應收款項、應收票據、合約資產及服務特許權安排項下的應收款項。管理層已制定信貸政策，並已持續監控此等信貸風險。

本集團已設立信貸風險管理政策，據此，所有客戶均須進行個別信貸評估。此等評估側重關注客戶付款歷史及當前支付能力，並考慮客戶的特定資料及與客戶業務所處經濟環境有關的資料。本集團通常不會從客戶處獲得抵押品。

Notes to the Interim Financial Report

中期財務報告附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，均以人民幣列示)

13 CREDIT RISK (CONTINUED)

The Group's customers are mainly real estate companies or main contractors in mainland China. Significant concentrations of credit risk primarily arise when the Group has significant exposure to individual customers. At the end of the reporting period, 15.8% (31 December 2020: 66.6%) and 76.6% (31 December 2020: 80.4%) of the total trade receivables and contract assets were due from the Group's largest customer and the five largest customers respectively.

The Group measures loss allowances for trade receivables, bills receivable and contract assets at an amount equal to lifetime ECLs, which is calculated using a provision matrix. As the Group's historical credit loss experience does not indicate significantly different loss patterns for different customer segments, the loss allowance is not further distinguished between the Group's different customer bases.

The following table provides information about the Group's exposure to credit risk and ECLs for trade receivables, bills receivable and contract assets:

13 信貸風險(續)

本集團的客戶主要為中國內地的房地產公司或總承包商。本集團主要在面臨個別客戶帶來的重大風險時產生高度集中的信貸風險。於報告期末，15.8% (2020年12月31日：66.6%) 及76.6% (2020年12月31日：80.4%) 的貿易應收款項總額及合約資產分別來自本集團最大客戶及五大客戶。

本集團按等同於存續期預期信貸損失的金額計量貿易應收款項、應收票據及合約資產的損失準備，並以撥備矩陣計算。由於本集團的歷史信貸損失經驗並未表明不同客戶群的虧損模式存在顯著差異，本集團不同客戶群的損失準備未作進一步區分。

下表載列本集團貿易應收款項、應收票據及合約資產的信貸風險及預期信貸損失資料：

		30 June 2021 於2021年6月30日		
		Expected loss rate 預期虧損率 %	Gross carrying amount 賬面總值 RMB'000 人民幣千元	Loss allowance 損失準備 RMB'000 人民幣千元
Current (not past due)	即期(未逾期)	6.0	604,853	(36,296)
Less than 12 months past due	逾期少於12個月	9.8	715,105	(70,261)
More than 12 months past due	逾期超過12個月	28.0	241,326	(67,483)
			1,561,284	(174,040)

		31 December 2020 於2020年12月31日		
		Expected loss rate 預期虧損率 %	Gross carrying amount 賬面總值 RMB'000 人民幣千元	Loss allowance 損失準備 RMB'000 人民幣千元
Current (not past due)	即期(未逾期)	7.1	626,374	(44,762)
Less than 12 months past due	逾期少於12個月	10.0	814,365	(81,095)
More than 12 months past due	逾期超過12個月	26.4	141,257	(37,222)
			1,581,996	(163,079)

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，均以人民幣列示)

13 CREDIT RISK (CONTINUED)

In addition to above provision matrix, the Group has made individual loss allowance for a customer. As at 30 June 2021, the accumulated individual loss allowance was RMB686,000 (31 December 2020: RMB686,000) with the carrying amounts before loss allowance of RMB686,000 (31 December 2020: RMB686,000).

Expected loss rates are based on historical credit loss experience over the past years or loss rates of comparable companies with published financials when there was no sufficient historical experience. These rates are adjusted for factors that are specific to the debtors, current conditions and the Group's view of economic conditions over the expected lives of the trade receivables, bills receivable and contract assets.

For receivables under service concession arrangement as at 30 June 2021, the Group estimated loss allowances based on expected cash short falls calculated by discounting using the corresponding effective interest rate. As at 30 June 2021 and 31 December 2020, the Group considered the loss allowances for receivables under service concession arrangement to be immaterial.

Movement in the loss allowance account in respect of trade receivables, contract assets and receivables under service concession arrangement during the period is as follows:

13 信貸風險(續)

除上述撥備矩陣外，本集團已就一名客戶計提個別損失準備。於2021年6月30日，累計個別損失準備為人民幣686,000元(2020年12月31日：人民幣686,000元)，除損失準備前賬面值為人民幣686,000元(2020年12月31日：人民幣686,000元)。

預期虧損率根據過往年度歷史信貸損失情況或倘無充足歷史經驗則按已刊發財務資料的可資比較公司的損失率計算。該等比率根據債務人的特定因素、當前狀況及本集團對貿易應收款項、應收票據及合約資產預計存續期內的經濟狀況的看法作出調整。

就於2021年6月30日服務特許權安排項下的應收款項而言，本集團根據使用相應實際利率折現計算的預計現金短缺額估計損失準備。於2021年6月30日及2020年12月31日，本集團認為服務特許權安排項下的應收款項計提的損失準備並不重大。

貿易應收款項、合約資產及服務特許權安排項下的應收款項的損失準備賬目於期內的變動情況如下：

		Six months ended 30 June 截至6月30日止六個月	
		2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
Balance at 1 January	於1月1日的結餘	163,765	49,009
Amounts written off during the period	期內撇銷金額	(15)	—
Impairment losses recognised during the period	期內已確認減值虧損	10,976	54,494
Balance at 30 June	於6月30日的結餘	174,726	103,503

Notes to the Interim Financial Report

中期財務報告附註

(Expressed in Renminbi unless otherwise indicated) (除另有指明外，均以人民幣列示)

14 CAPITAL COMMITMENTS

Capital commitments outstanding at 30 June 2021 not provided for in the financial statements were as follows:

	At 30 June 2021 於2021年 6月30日 RMB'000 人民幣千元	At 31 December 2020 於2020年 12月31日 RMB'000 人民幣千元
Contracted for 已訂約	125,487	10,044

15 MATERIAL RELATED PARTY TRANSACTIONS

(a) Key management personnel remuneration

Remuneration for key management personnel of the Group is as follows:

	2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
Short-term employee benefits 短期僱員福利	1,561	1,358
Contributions to retirement benefit 退休福利計劃供款 scheme	24	9
	1,585	1,367

Total remuneration is included in "staff costs" (see Note 4(b)).

(b) Other transactions with related parties

For the six months ended 30 June 2021, the Group had short-term leases of factory and office premise from three entities controlled by the controlling shareholder of the Company. The aggregate rental expenses incurred during the period amounted to RMB2,092,000 (six months ended 30 June 2020: RMB2,323,000). The balances of other payables to the above companies was RMB1,200,000 as at 30 June 2021 (31 December 2020: RMB2,218,000).

Save as disclosed above, the Group did not have any other material transactions with related parties during the period.

14 資本承擔

於2021年6月30日，並未於財務報表計提撥備的尚未償付資本承擔如下：

15 重大關聯方交易

(a) 主要管理人員薪酬

本集團主要管理人員之薪酬如下：

Six months ended 30 June 截至6月30日止六個月

	2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
Short-term employee benefits 短期僱員福利	1,561	1,358
Contributions to retirement benefit 退休福利計劃供款 scheme	24	9
	1,585	1,367

薪酬總額計入「員工成本」(見附註4(b))。

(b) 與關聯方的其他交易

截至2021年6月30日止六個月，本集團向三間由本公司控股股東控制的實體短期租賃廠房及辦公場所。期內產生的租金開支總額為人民幣2,092,000元(截至2020年6月30日止六個月：人民幣2,323,000元)。於2021年6月30日應付上述公司的其他款項結餘為人民幣1,200,000元(2020年12月31日：人民幣2,218,000元)。

除上文所披露者外，本集團於期內並無與關聯方進行任何其他重大交易。



Jianzhong Construction Development Limited
建中建設發展有限公司

