



中国交通建设股份有限公司
CHINA COMMUNICATIONS CONSTRUCTION COMPANY LIMITED

01800.HK

2020 Interim Results Presentation



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Financial Summary¹

RMB million (except per share data)	1H 2020 (Unaudited)	1H 2019 (Restated) (Unaudited)	Change
Revenue	245,410	239,461	↑ 2.5%
Gross Profit	28,511	28,100	↑ 1.5%
Operating Profit	13,543	15,726	↓ 13.9%
EBITDA ²	19,398	21,487	↓ 9.7%
Profit before income tax	9,538	12,047	↓ 20.8%
Profit attributable to owners of the parent	5,517	8,781	↓ 37.2%
EPS ³	0.28	0.48	↓ 37.2%

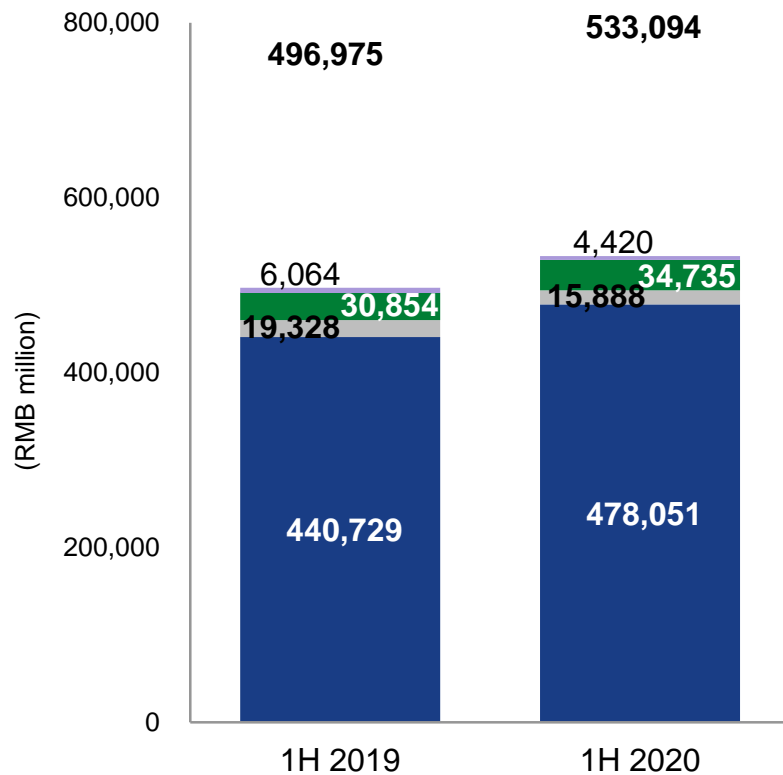
Notes:

- ¹ Due to the adjustment of shareholding, the results of CCCC Tianhe were consolidated into the consolidated financial statements of the Company in June 2020, and included under other businesses segment. Meanwhile, the Company has made the adjustments to the data for the same period of last year, to show a year-on-year analysis.
- ² EBITDA is calculated by adding back depreciation and amortisation to the operating profit.
- ³ In calculating the amount of basic earnings per share for the first half of 2020, the 9,024,000 H shares repurchased in the first half of the year have been excluded, and the interests/dividends with an aggregate amount of approximately RMB1,050 million shall be excluded from profits.

New Contracts and Backlog by Business Segments

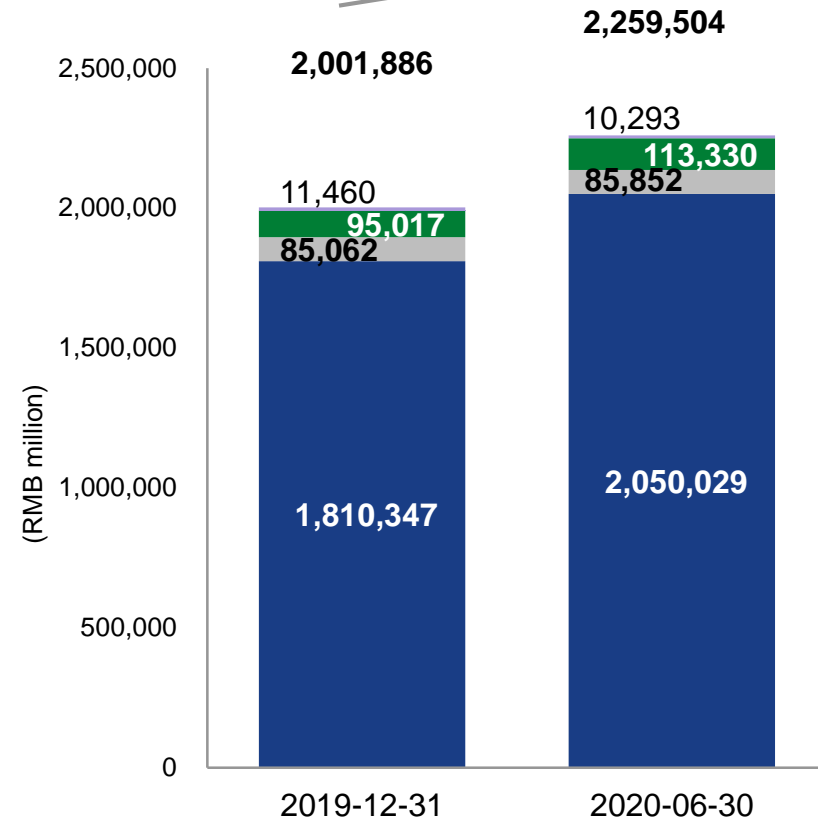
New Contracts

Growth rate = 7.3%



Backlog

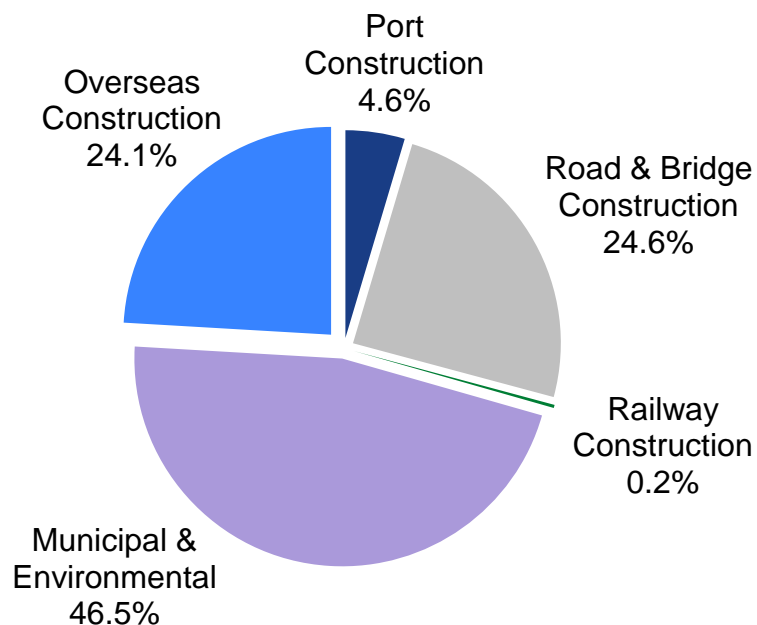
Growth rate = 12.9%



■ Infrastructure Construction
 ■ Infrastructure Design
 ■ Dredging
 ■ Others

New Contracts of Infrastructure Construction Business

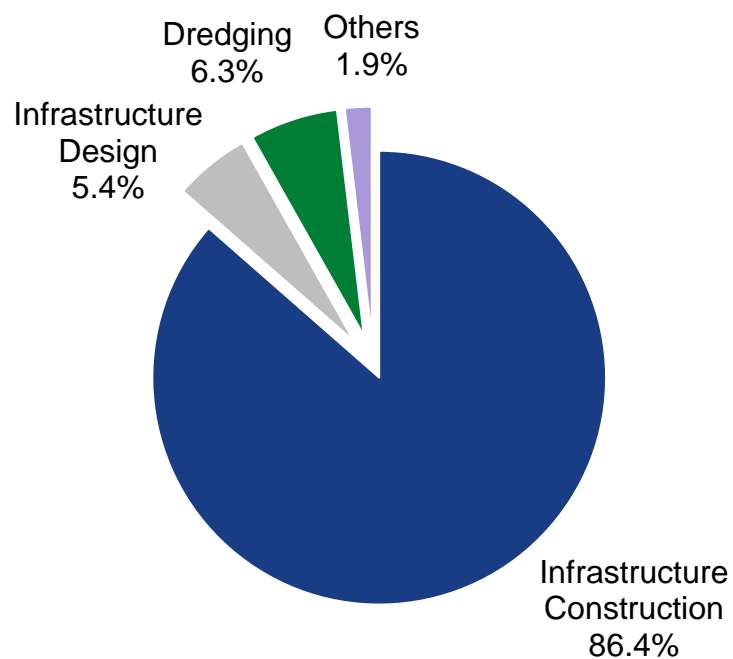
New Contracts of Infrastructure Construction Business (1H 2020)



	1H 2020		1H 2019		Change	
	RMB million	% of total	RMB million	% of total	RMB million	Growth
Domestic Construction	362,955	75.9%	334,987	76.0%	27,968	8.3%
Port Construction	22,032	4.6%	12,155	2.8%	9,877	81.3%
Road & Bridge Construction	117,430	24.6%	138,303	31.4%	(20,873)	(15.1%)
Railway Construction	1,164	0.2%	2,879	0.6%	(1,715)	(59.6%)
Municipal & Environmental	222,329	46.5%	181,650	41.2%	40,679	22.4%
Overseas Construction	115,096	24.1%	105,742	24.0%	9,354	8.8%
Total	478,051	100.0%	440,729	100.0%	37,322	8.5%

Contribution by Business Segments - Revenue

Revenue (1H 2020) ¹



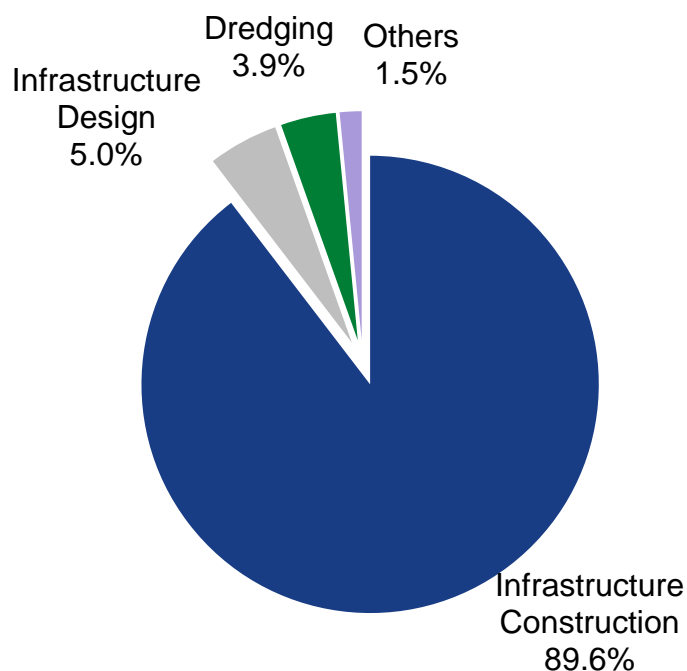
Business	1H 2020		1H 2019 (Restated)		Change	
	RMB million	% of total	RMB million	% of total	RMB million	Growth
Infrastructure Construction	218,839	86.4%	212,434	86.4%	6,405	3.0%
Infrastructure Design	13,628	5.4%	13,220	5.4%	408	3.1%
Dredging	16,122	6.3%	15,614	6.3%	508	3.3%
Others	4,791	1.9%	4,745	1.9%	46	1.0%
Total (before elimination)	253,380	100.0%	246,013	100.0%	7,367	3.0%

Note:

¹ All figures are before elimination of inter-segment transactions and unallocated costs

Contribution by Business Segments - Segment Result

Segment Result (1H 2020) ¹



Business	1H 2020		1H 2019 (Restated)		Change	
	RMB million	% of total	RMB million	% of total	RMB million	Growth
Infrastructure Construction	11,980	89.6%	13,473	86.1%	(1,493)	(11.1%)
Infrastructure Design	663	5.0%	934	6.0%	(271)	(29.0%)
Dredging	522	3.9%	692	4.4%	(170)	(24.6%)
Others	206	1.5%	556	3.5%	(350)	(62.9%)
Total (before elimination)	13,371	100.0%	15,655	100.0%	(2,284)	(14.6%)

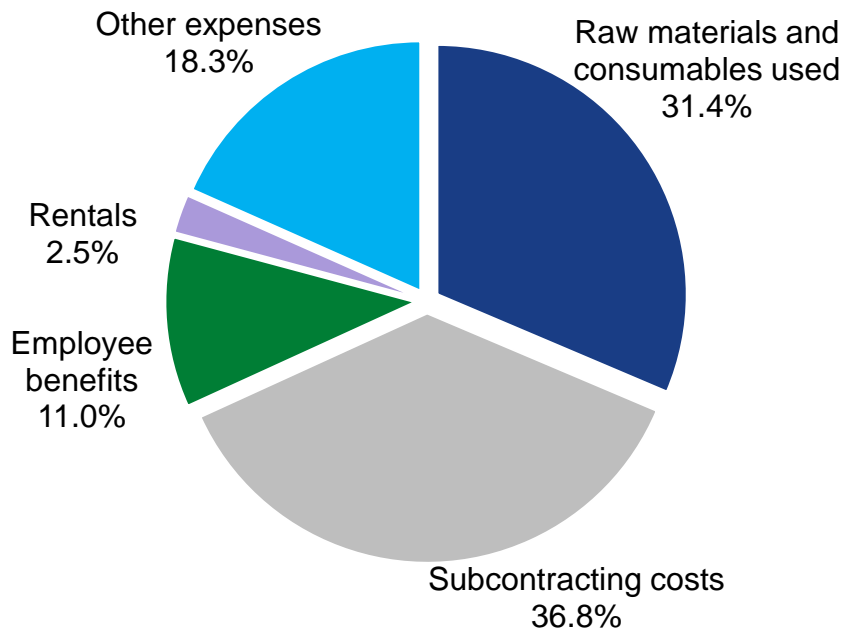
Note:

¹ All figures are before elimination of inter-segment transactions and unallocated costs

Operating Cost Structure

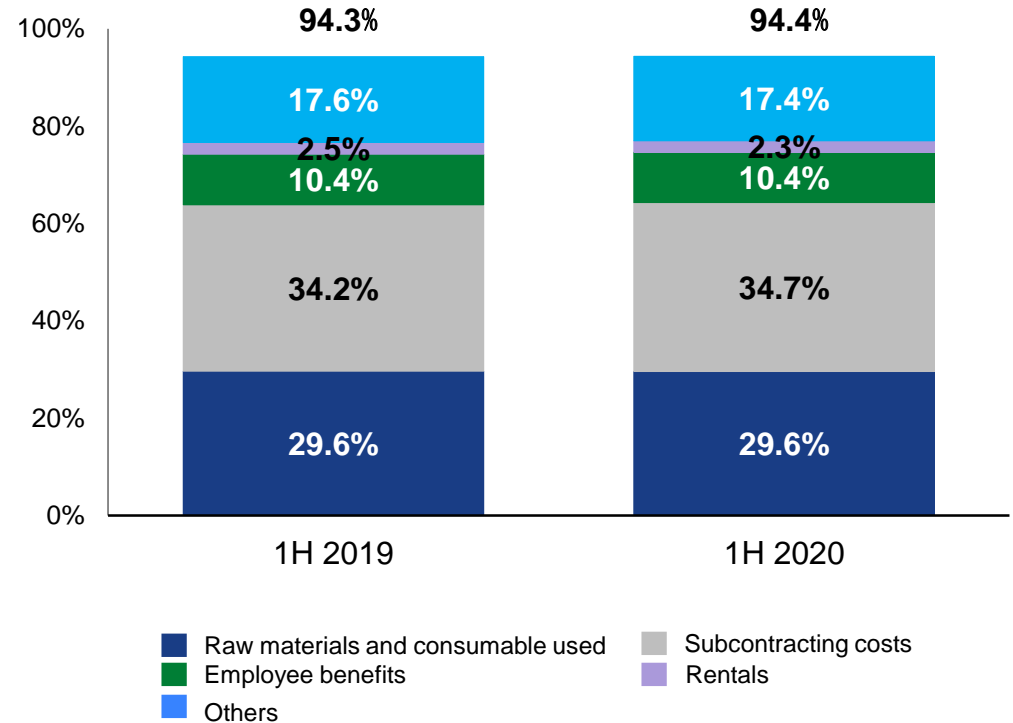
Cost Breakdown (1H 2020)

As % of operating costs¹



Cost Structure (1H 2020)

As % of sales



Note:

¹ Operating costs = cost of sales + selling and marketing expenses + administrative expenses

Infrastructure Construction - Business Performance

Completed projects with RMB218,839 million of contract value

Key Projects

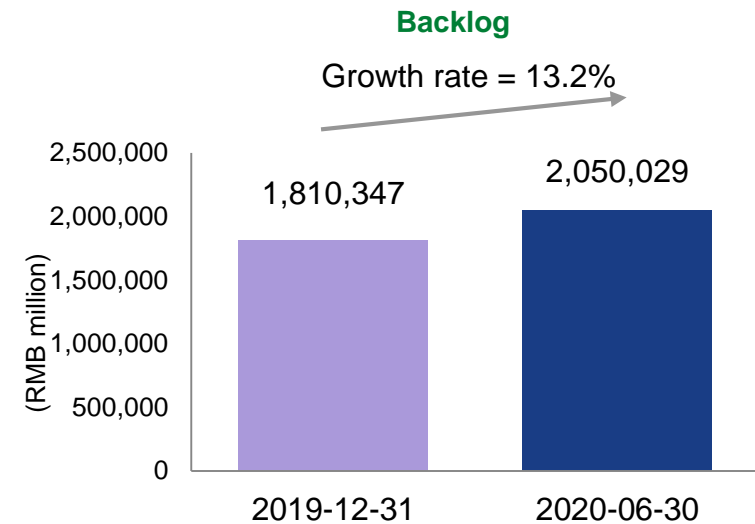
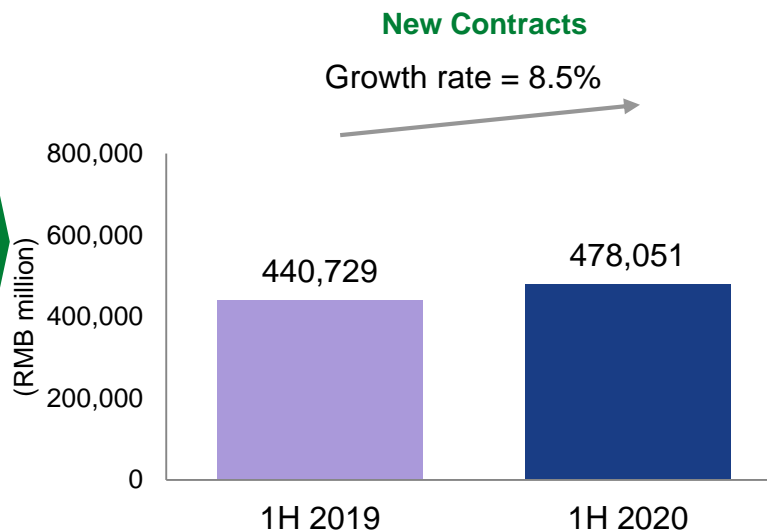


Comprehensive Development Project of Yongning Area in Chengdu, Sichuan



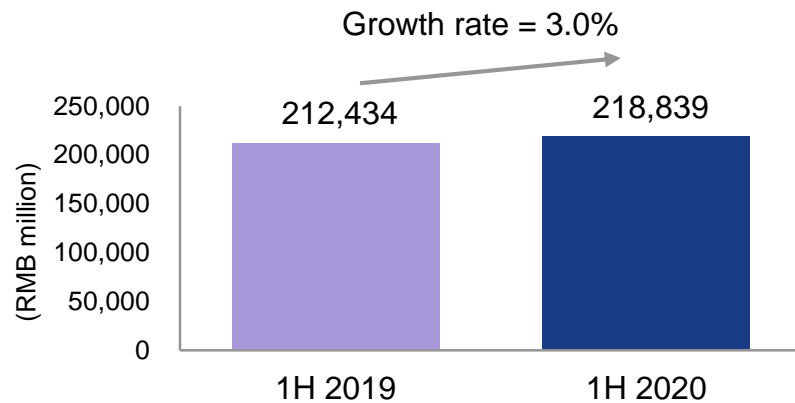
Hasyan Clean Coal-fired Power Plant Project in Dubai, UAE

New Contracts and Backlog

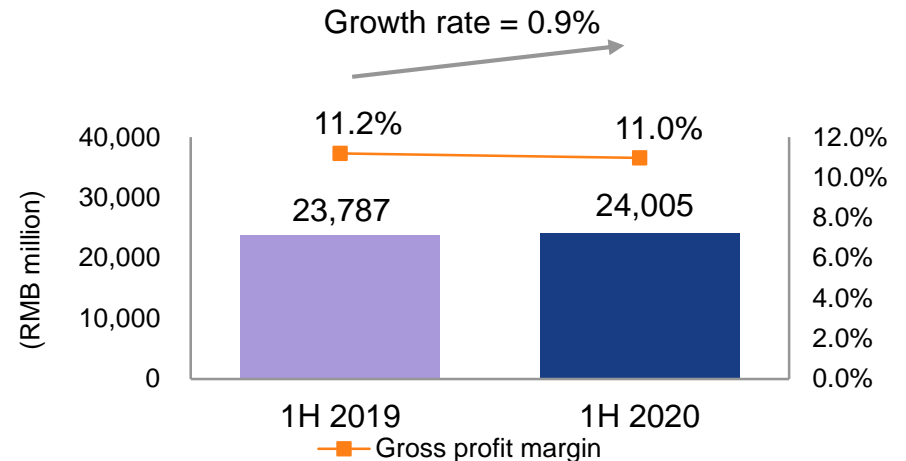


Infrastructure Construction - Financial Performance

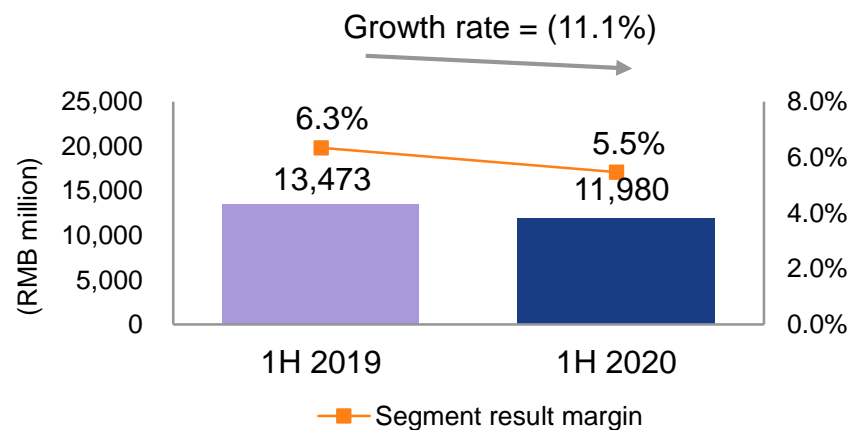
Revenue¹



Gross Profit¹



Segment Result^{1,2}



REMARKS

- ◆ The revenue and gross profit slightly increased mainly due to the increase from Mainland China Projects.
- ◆ Gross profit margin decreased to 11.0% primarily due to the suspension of some domestic and overseas projects and the impact of free passage of domestic toll roads as a result of the epidemic, as well as the estimated losses recognized for certain overseas projects.

Notes:

1 All figures are before elimination of inter-segment transactions and unallocated costs

2 Segment result = revenue – cost of sales – selling and marketing expenses – administrative expenses + other income/ (expenses), net

Infrastructure Design - Business Performance

Completed projects with RMB13,628 million of contract value

Key Projects

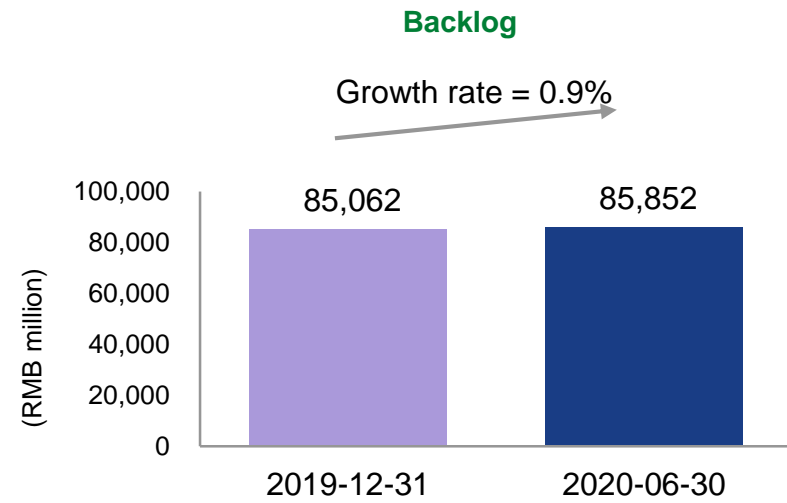
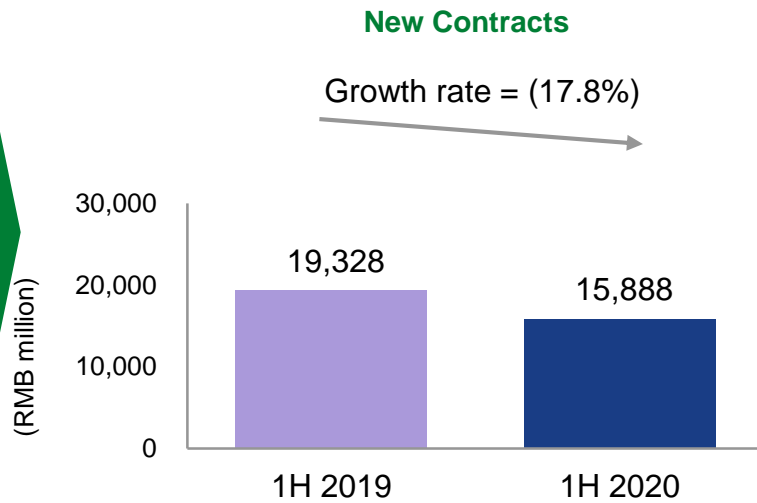


PPP Project of Two Lakes One River for Sponge City Pilot in Gui'an New Area, Guizhou



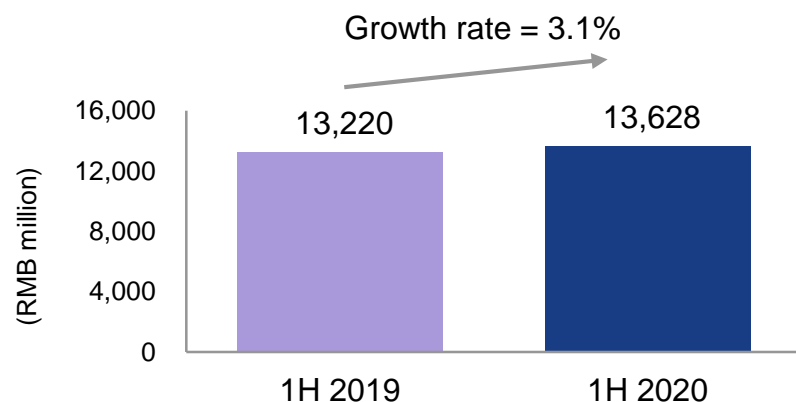
Pingtang Extra Large Bridge of Guizhou Pingtang-Luodian Expressway

New Contracts and Backlog

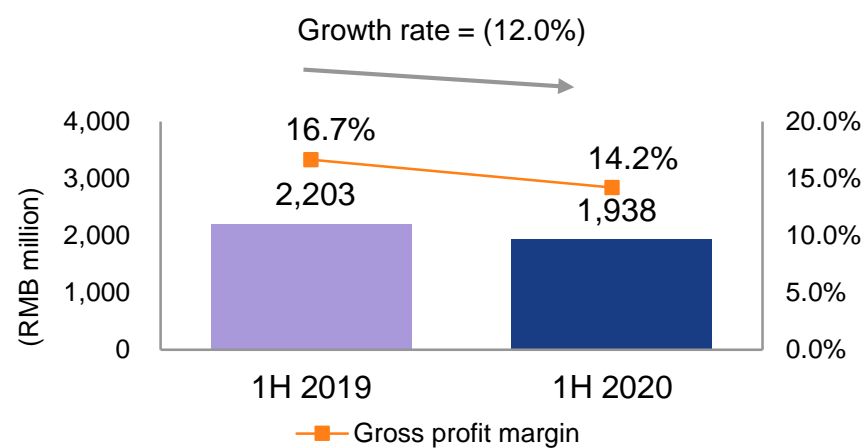


Infrastructure Design - Financial Performance

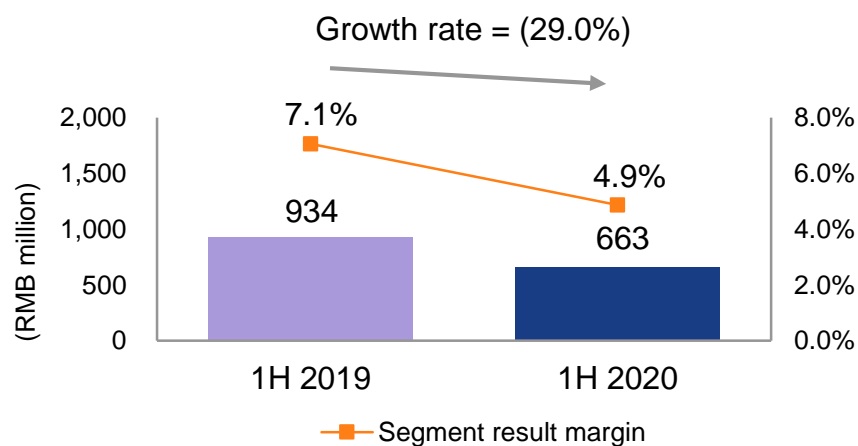
Revenue¹



Gross Profit¹



Segment Result^{1,2}



REMARKS

- ◆ The increase in revenue and decrease in gross profit margin was mainly due to the increased proportion of revenue generated from comprehensive contracts which have lower profit margin.

Notes:

1 All figures are before elimination of inter-segment transactions and unallocated costs

2 Segment result = revenue – cost of sales – selling and marketing expenses – administrative expenses + other income/ (expenses), net

Dredging - Business Performance

Completed projects with RMB16,122 million of contract value

Key Projects



Comprehensive Development Project of Nanhai Future City in Yancheng, Jiangsu

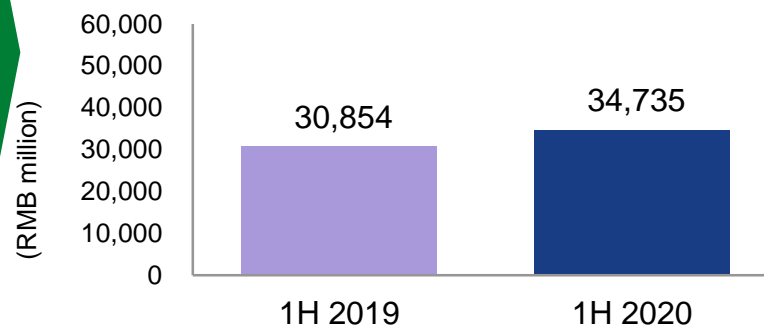


Daxi Environmental Improvement and Upgrading Project in Lishui, Zhejiang

New Contracts and Backlog

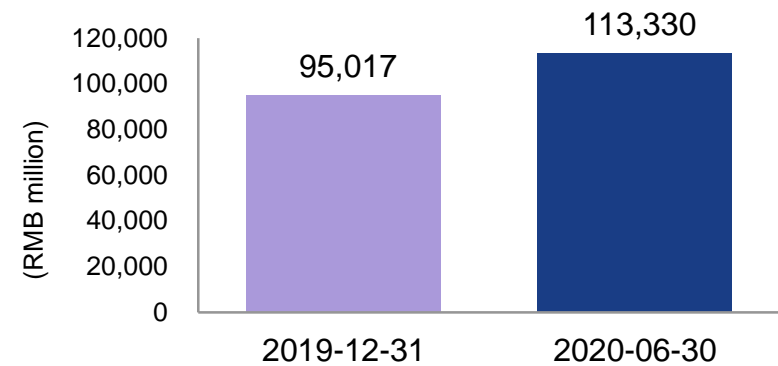
New Contracts

Growth rate = 12.6%



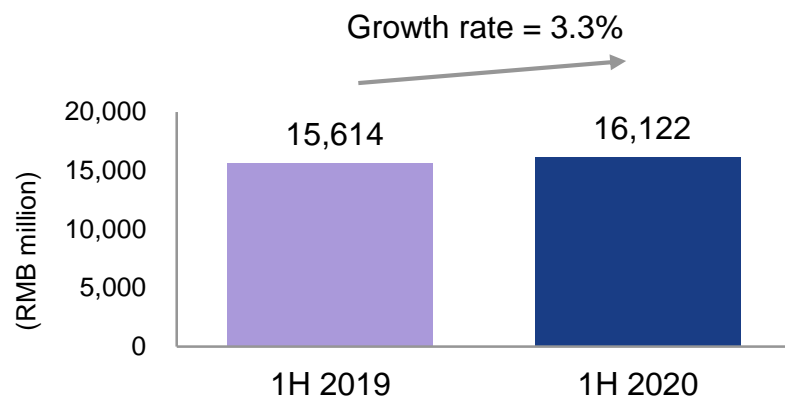
Backlog

Growth rate = 19.3%

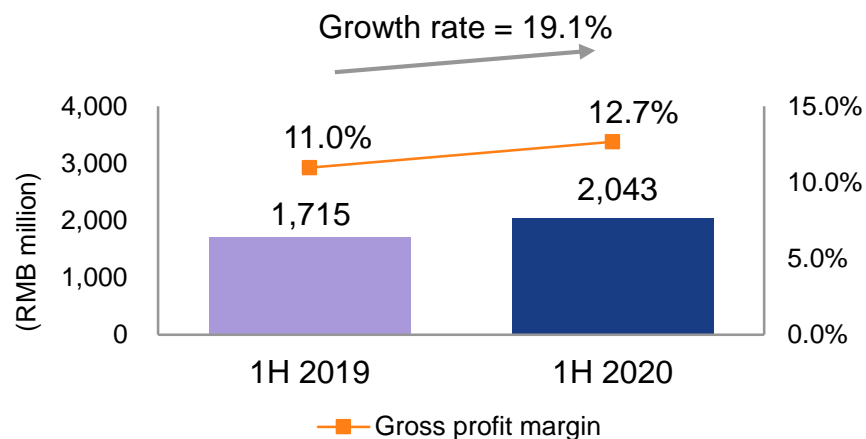


Dredging - Financial Performance

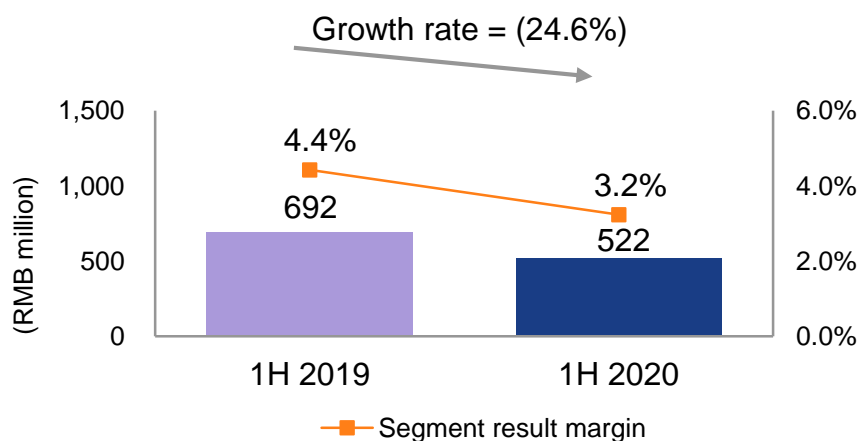
Revenue¹



Gross Profit¹



Segment Result^{1,2}



REMARKS

- ◆ The increase in gross profit and gross profit margin was primarily attributable to the decreased proportion of lower gross profit margin business.

Notes:

1 All figures are before elimination of inter-segment transactions and unallocated costs

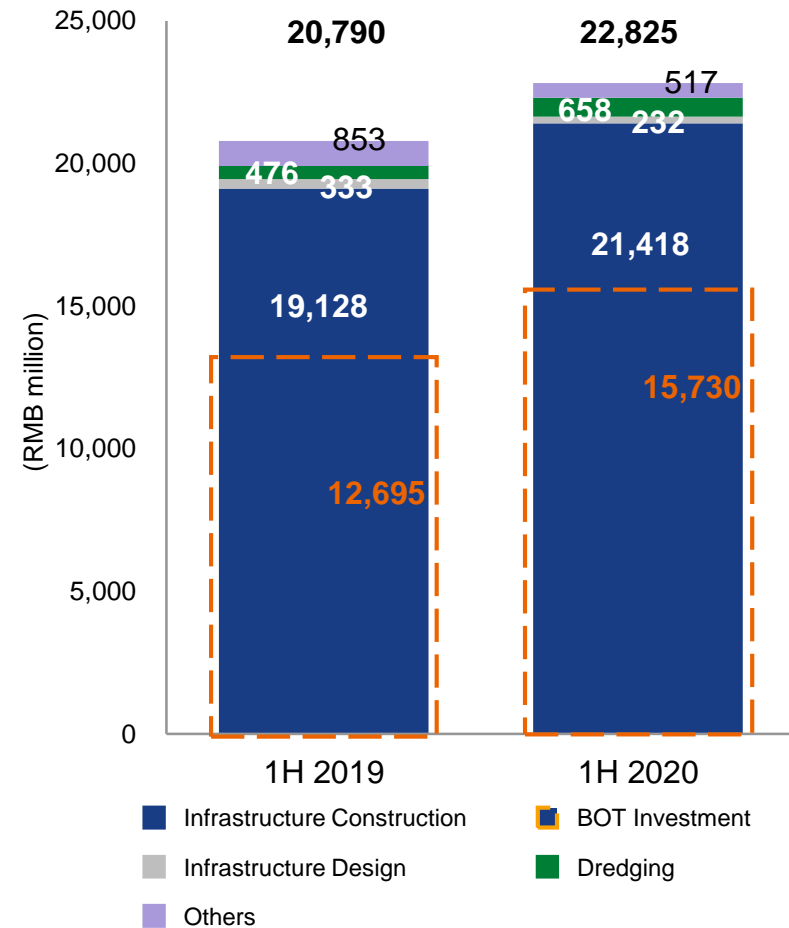
2 Segment result = revenue – cost of sales – selling and marketing expenses – administrative expenses + other income/ (expenses), net

Capital Expenditure

Infrastructure Construction Business	<ul style="list-style-type: none"> ◆ Mainly used in investments in BOT projects, purchases of self-use property, machinery, equipment and vessels
Infrastructure Design Business	<ul style="list-style-type: none"> ◆ Mainly used in the purchase of equipment
Dredging Business	<ul style="list-style-type: none"> ◆ Mainly used in the purchase of new dredgers and upgrade of existing dredgers
Other Business	<ul style="list-style-type: none"> ◆ Mainly used in purchase of self-use property

Capital expenditure

Growth rate = 9.8%

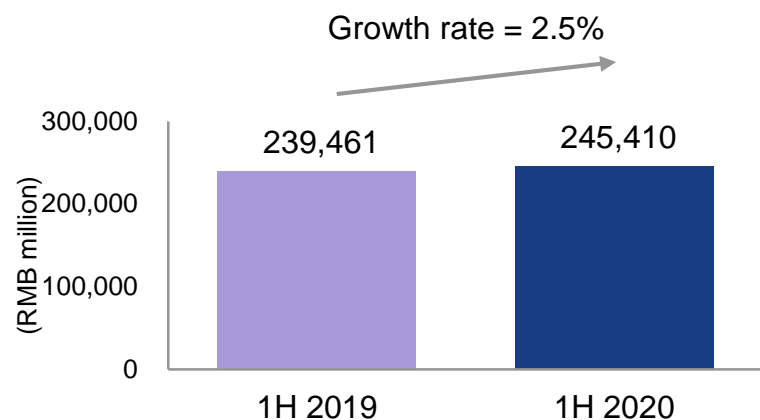


Note:

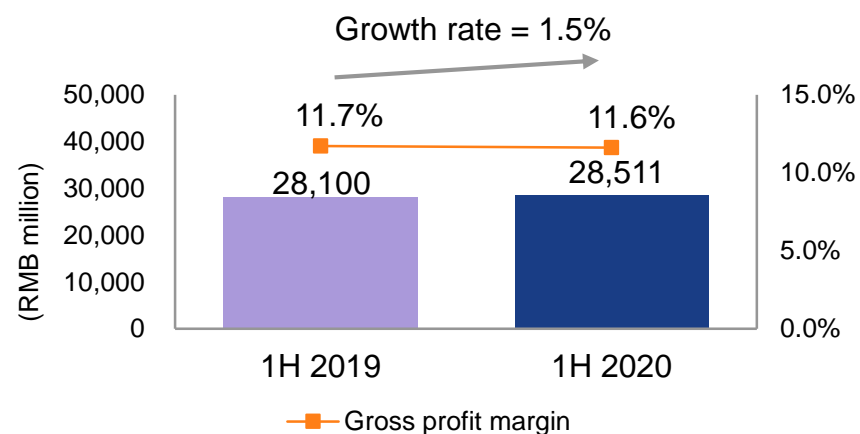
1 Capital expenditure is implemented by means of both cash purchase and lease

Summary Income Statement Data

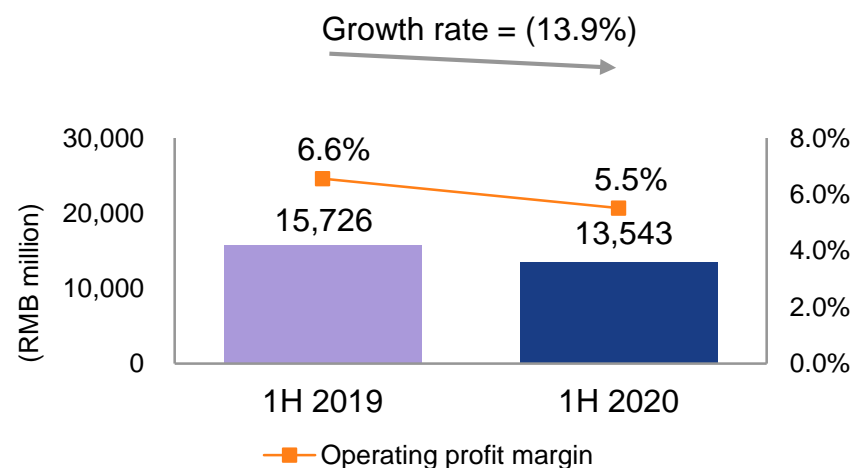
Revenue



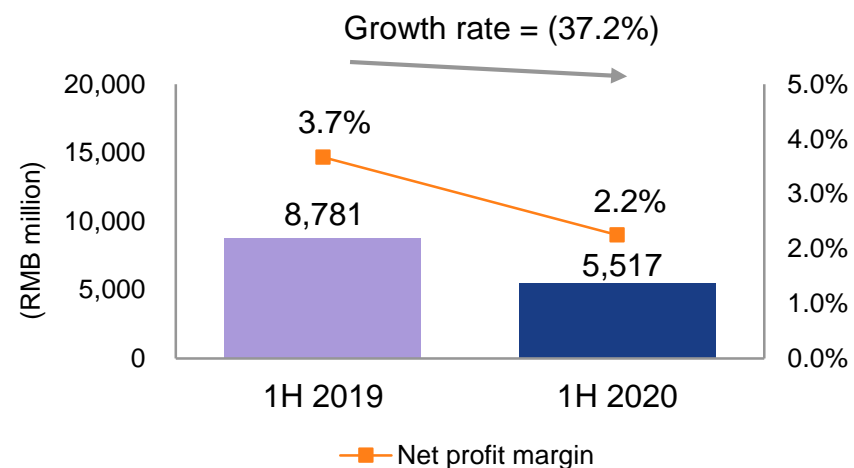
Gross Profit



Operating Profit



Profit attributable to Owners of the parent



Summary Balance Sheet Data

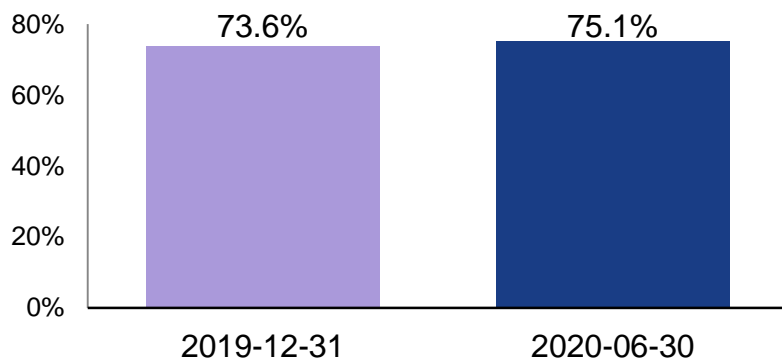
<i>RMB Million</i>	As at 2020-6-30	As at 2019-12-31	Change
Non-current assets	652,859	594,045	9.9%
Property, plant and equipment	60,828	60,400	0.7%
Intangible assets	236,802	219,227	8.0%
Equity instruments designated at fair value through other comprehensive income	24,238	25,018	(3.1%)
Investments in joint ventures and associates	57,318	51,398	11.5%
Trade and other receivables	210,595	178,037	18.3%
Current assets	579,697	529,369	9.5%
Inventories	70,173	62,613	12.1%
Trade and other receivables	244,296	223,768	9.2%
Contract Assets	132,748	116,236	14.2%
Cash and cash equivalents	120,873	118,908	1.7%
Total Asset	1,232,556	1,123,414	9.7%
Non-current liabilities	350,624	298,665	17.4%
Borrowings	314,935	265,048	18.8%
Current liabilities	574,698	528,339	8.8%
Trade and other payables	369,809	362,901	1.9%
Borrowings	120,952	76,379	58.4%
Total liabilities	925,322	827,004	11.9%
Total equity	307,234	296,410	3.7%
	As at 2020-6-30	As at 2019-12-31	Change
Total Liabilities / Total Assets	75.1%	73.6%	1.5%
Net debt / Total Capital¹	50.6%	42.9%	7.7%

Notes:

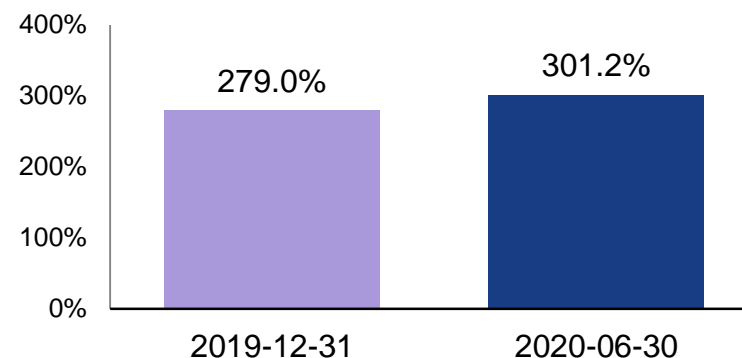
¹ Net debt is total borrowings less cash and cash equivalents. Total capital is total equity plus net debt.

Summary Balance Sheet Data

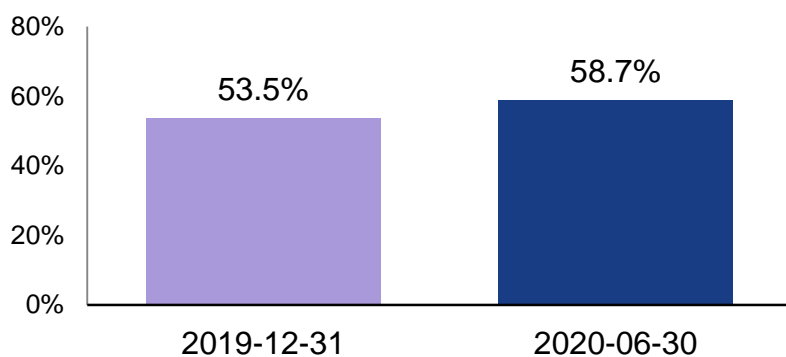
Total Liabilities/Total Assets



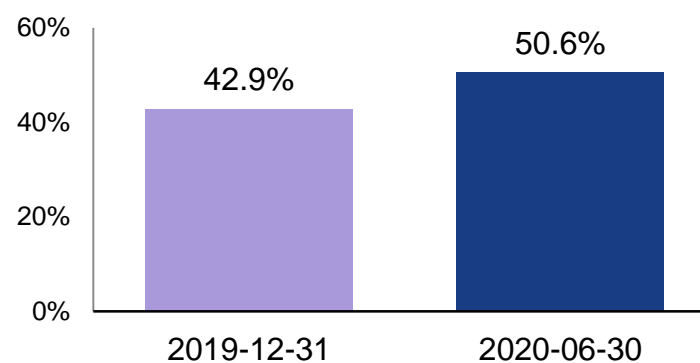
Total Liabilities/Net Assets



Total Debt/Total Capitalization¹



Net Debt/Total Capital²



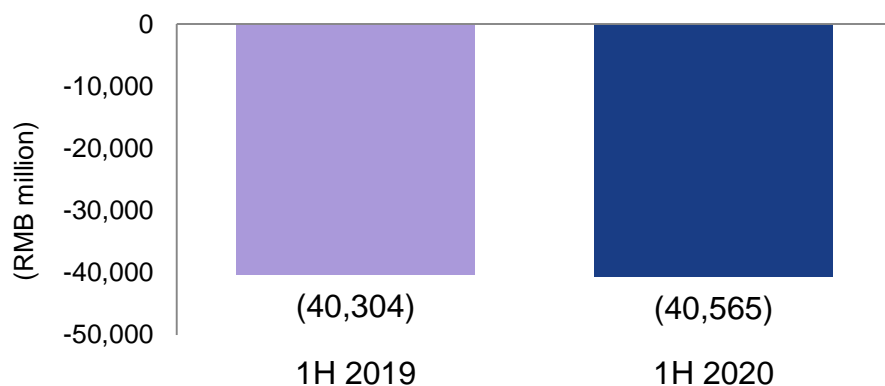
Notes:

1 Total capitalization is total equity plus total borrowings

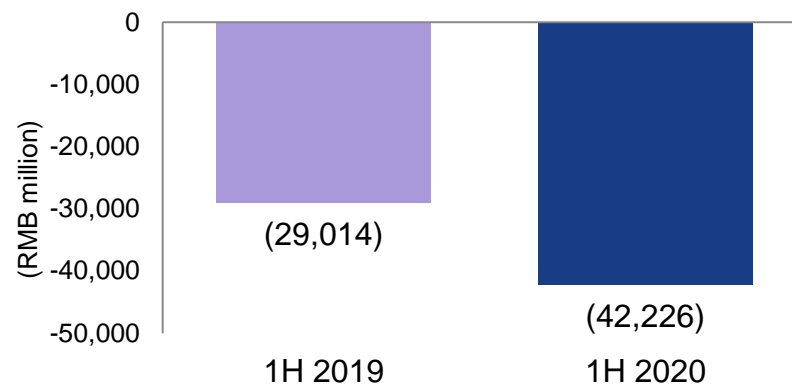
2 Net debt is total borrowings less cash and cash equivalents. Total capital is total equity plus net debt.

Summary Cash Flow Statement Data

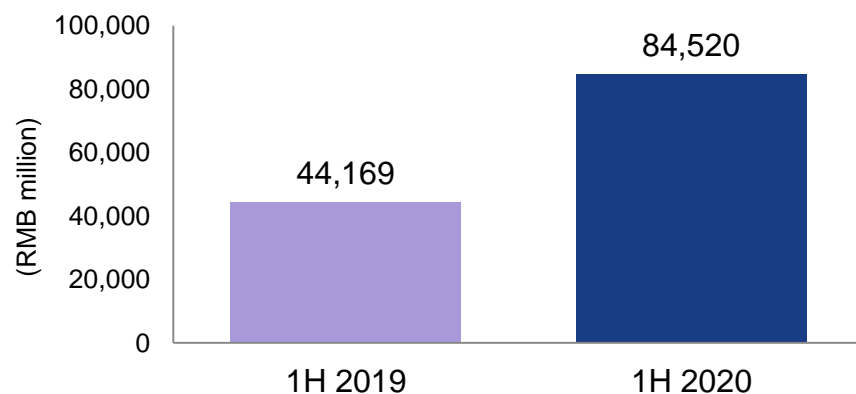
Cash Flow from Operating Activities



Cash Flow from Investing Activities



Cash Flow from Financing Activities



REMARKS

- ◆ Net cash used in operating activities increased to RMB40,565 million, as compared with RMB40,304 million from the corresponding period of 2019.
- ◆ The increase of 45.5% in cash flow from investing activities was primarily attributable to the increase in expenditure from purchases of intangible assets and long-term assets, and purchases of financial assets at fair value through profit or loss.
- ◆ Net cash generated from financing activities increased to RMB84,520 million, primarily due to the increase in proceeds from perpetual securities and proceeds from bank and other borrowings.

Thank You

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