



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

01800.HK

## 2021 Annual Results Presentation



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- ◆ Any discrepancies between the amounts herein and the amounts set out in the tables herein are due to rounding.

# Financial Summary

RMB million (except per share data)	Year Ended		
	2021	2020	Change
Revenue	682,599	624,495	↑ 9.3 %
Gross Profit	84,503	80,036	↑ 5.6 %
Operating Profit	34,539	34,405	↑ 0.4 %
EBITDA <sup>1</sup>	46,680	46,747	↓ 0.1 %
Profit before income tax	29,784	26,957	↑ 10.5 %
Profit attributable to owners of the parent	18,348	16,475	↑ 11.4 %
EPS <sup>2</sup>	1.04	0.92	↑ 13.0 %

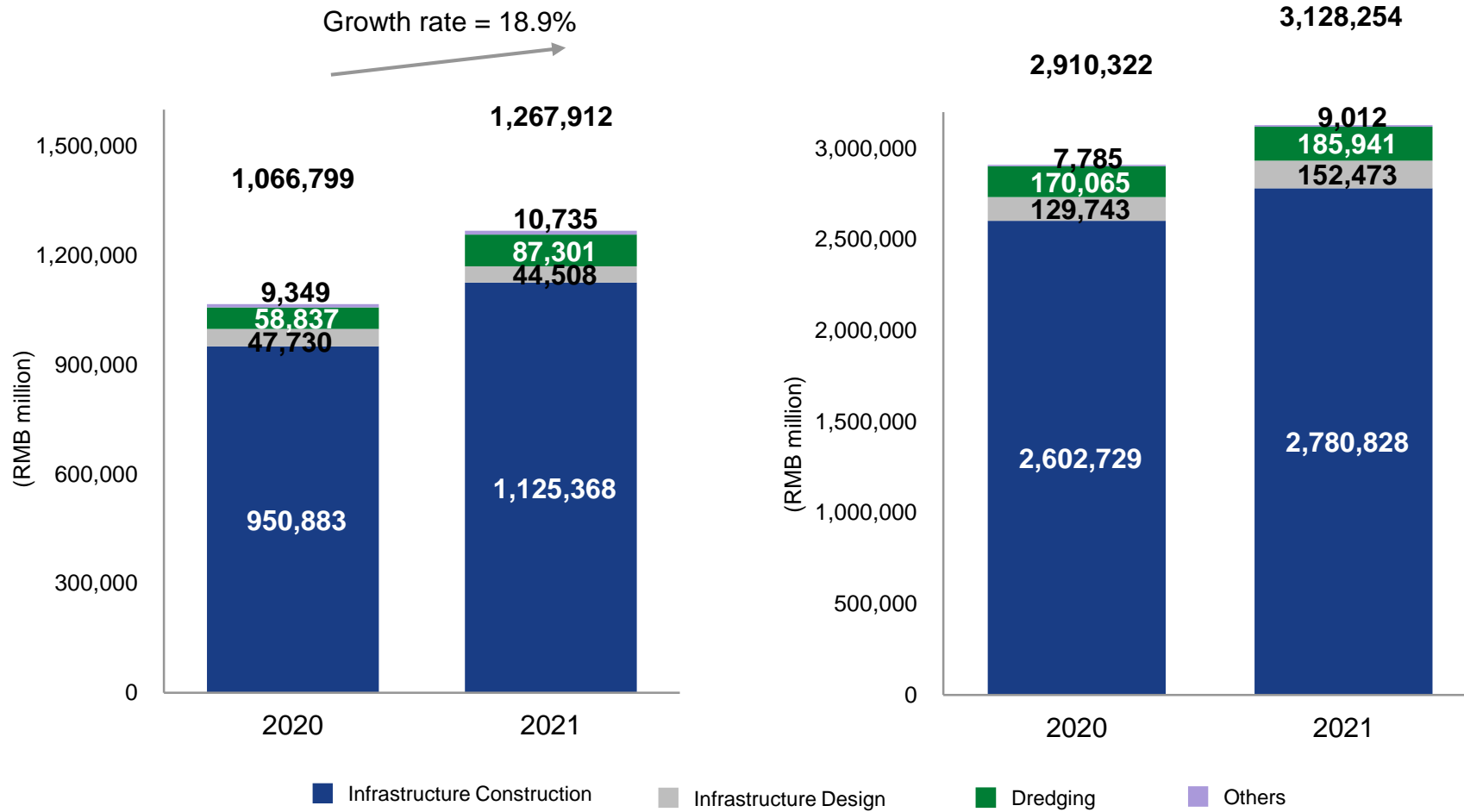
Notes:

- <sup>1</sup> EBITDA is calculated by adding back depreciation and amortisation to the operating profit.
- <sup>2</sup> In calculating the amount of basic earnings per share, the interests/dividends with an aggregate amount of approximately RMB1,528 million shall be excluded from profits

# New Contracts and Backlog by Business Segments

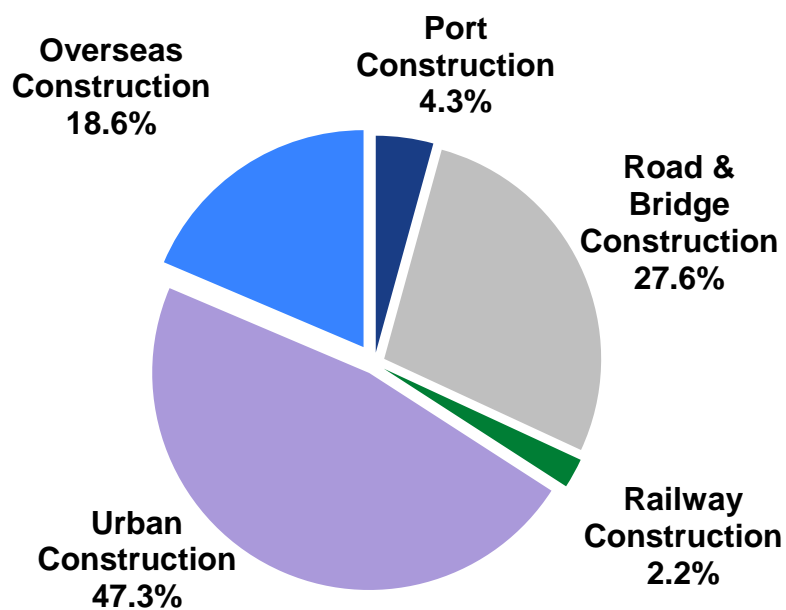
## New Contracts

## Backlog



# New Contracts of Infrastructure Construction Business

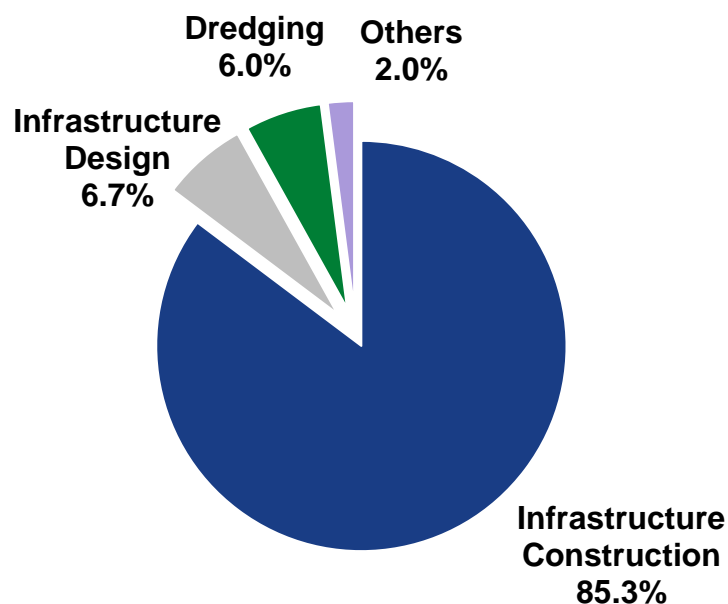
## New Contracts of Infrastructure Construction Business (2021)



	2021		2020		Change	
	RMB million	% of total	RMB million	% of total	RMB million	Growth
<b>Domestic Construction</b>	<b>916,009</b>	<b>81.4%</b>	<b>749,216</b>	<b>78.8%</b>	<b>166,793</b>	<b>22.3%</b>
Port Construction	48,143	4.3%	37,942	4.0%	10,201	26.9%
Road & Bridge Construction	310,877	27.6%	276,907	29.1%	33,970	12.3%
Railway Construction	25,006	2.2%	15,455	1.6%	9,551	61.8%
Urban Construction	531,983	47.3%	418,912	44.1%	113,071	27.0%
<b>Overseas Construction</b>	<b>209,359</b>	<b>18.6%</b>	<b>201,667</b>	<b>21.2%</b>	<b>7,692</b>	<b>3.8%</b>
<b>Total</b>	<b>1,125,368</b>	<b>100.0%</b>	<b>950,883</b>	<b>100.0%</b>	<b>174,485</b>	<b>18.3%</b>

# Contribution by Business Segments - Revenue

## Revenue (2021) <sup>1</sup>



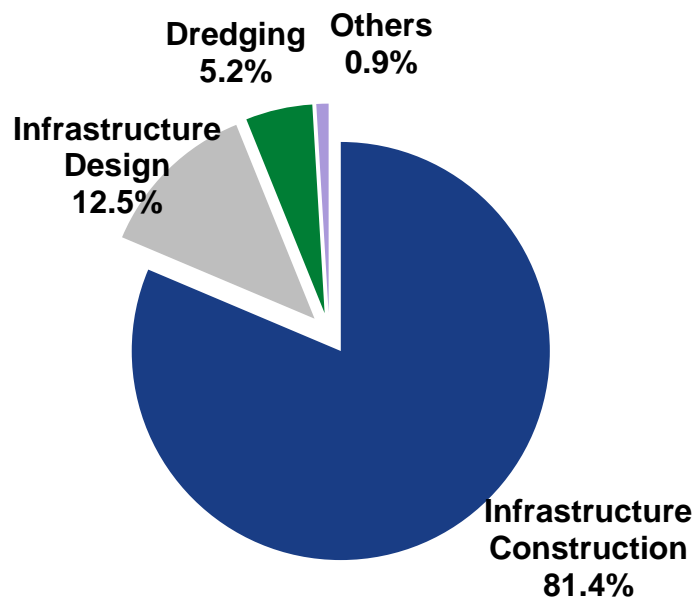
Business	2021		2020		Change	
	RMB million	% of total	RMB million	% of total	RMB million	Growth
Infrastructure Construction	608,407	85.3%	560,987	86.2%	47,420	8.5%
Infrastructure Design	47,595	6.7%	40,005	6.1%	7,590	19.0%
Dredging	42,973	6.0%	38,414	5.9%	4,559	11.9%
Others	14,601	2.0%	11,407	1.8%	3,194	28.0%
<b>Total (before elimination)</b>	<b>713,576</b>	<b>100.0%</b>	<b>650,813</b>	<b>100.0%</b>	<b>62,763</b>	<b>9.6%</b>

Note:

<sup>1</sup> All figures are before elimination of inter-segment transactions and unallocated costs

# Contribution by Business Segments - Segment Result

## Segment Result (2021) <sup>1</sup>



Business	2021		2020		Change	
	RMB million	% of total	RMB million	% of total	RMB million	Growth
Infrastructure Construction	27,635	81.3%	29,030	83.8%	(1,395)	(4.8%)
Infrastructure Design	4,258	12.5%	3,433	9.9%	825	24.0%
Dredging	1,758	5.2%	1,940	5.6%	(182)	(9.4%)
Others	320	0.9%	257	0.7%	63	24.5%
<b>Total (before elimination)</b>	<b>33,971</b>	<b>100.0%</b>	<b>34,660</b>	<b>100.0%</b>	<b>(689)</b>	<b>(2.0%)</b>

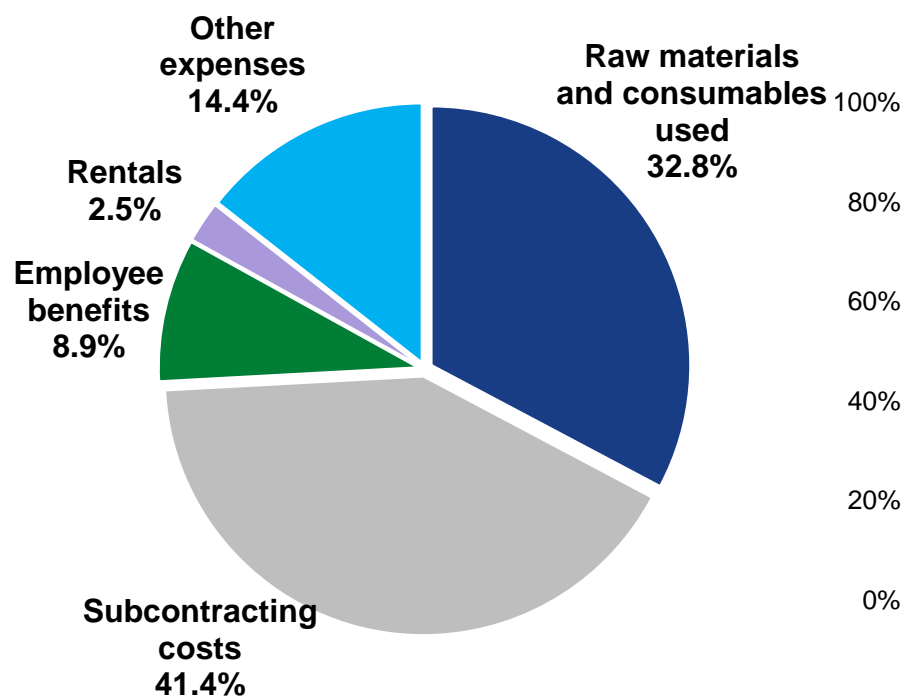
Note:

<sup>1</sup> All figures are before elimination of inter-segment transactions and unallocated costs

# Operating Cost Structure

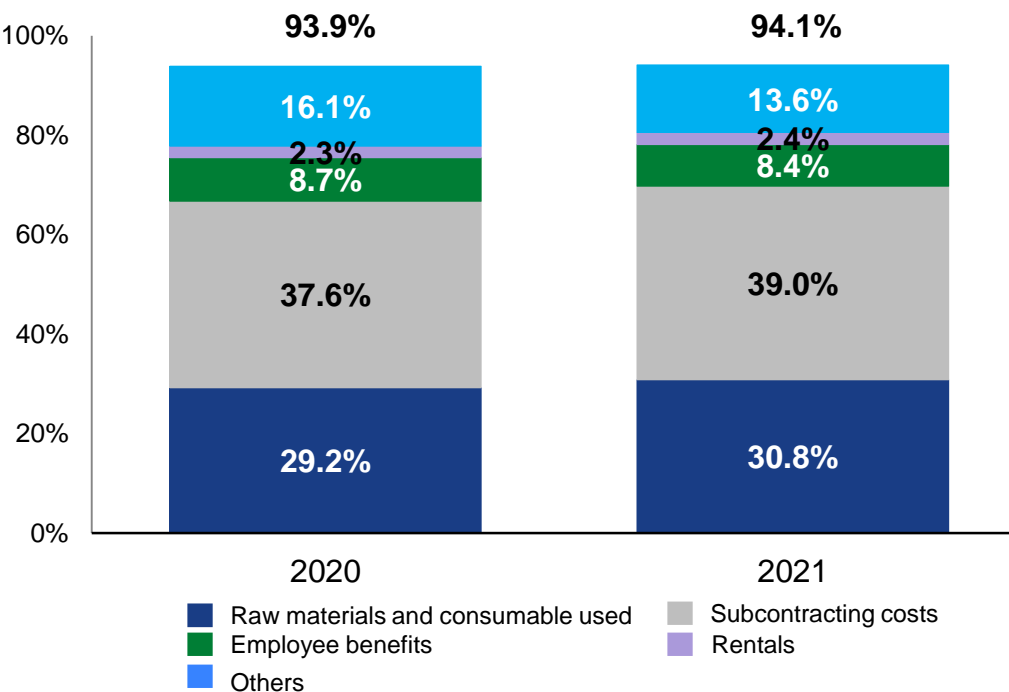
## Cost Breakdown (2021)

As % of operating costs<sup>1</sup>



## Cost Structure (2021)

As % of sales



Note:

<sup>1</sup> Operating costs = cost of sales + selling and marketing expenses + administrative expenses



# Infrastructure Construction - Business Performance

Completed projects with RMB 608,407 million of contract value

Key Projects



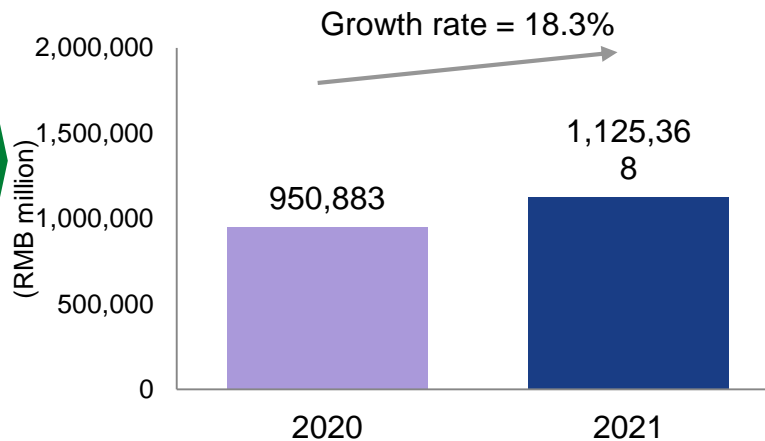
Successfully Opening of China/Kunming-Laos/Vientiane Railway



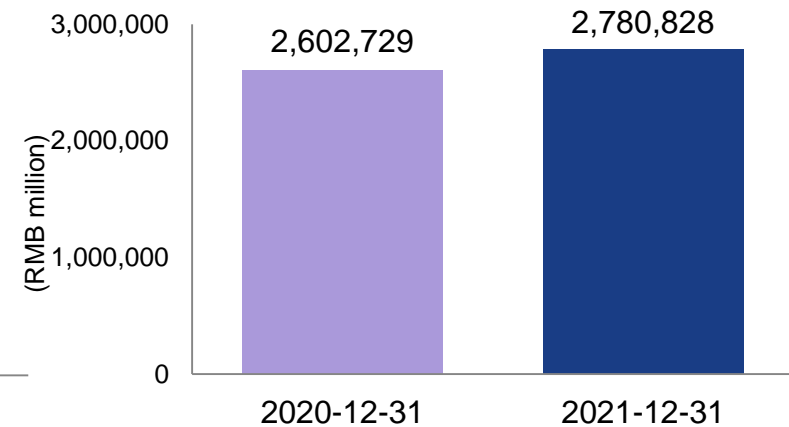
Rendering of Mengyang New Town at Nanhu Lake, Chengdu City

New Contracts and Backlog

New Contracts

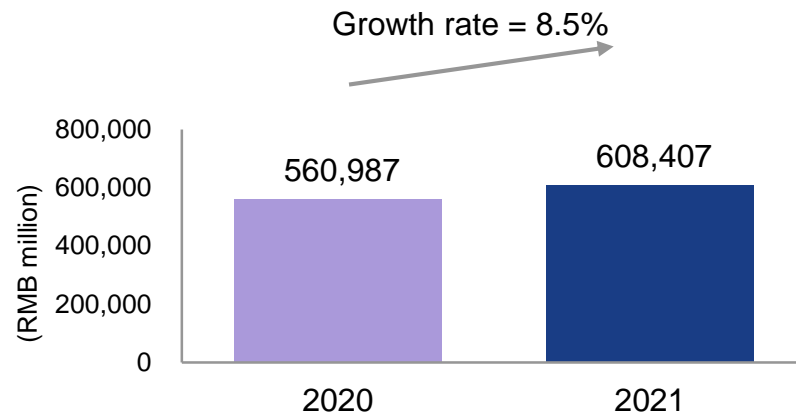


Backlog

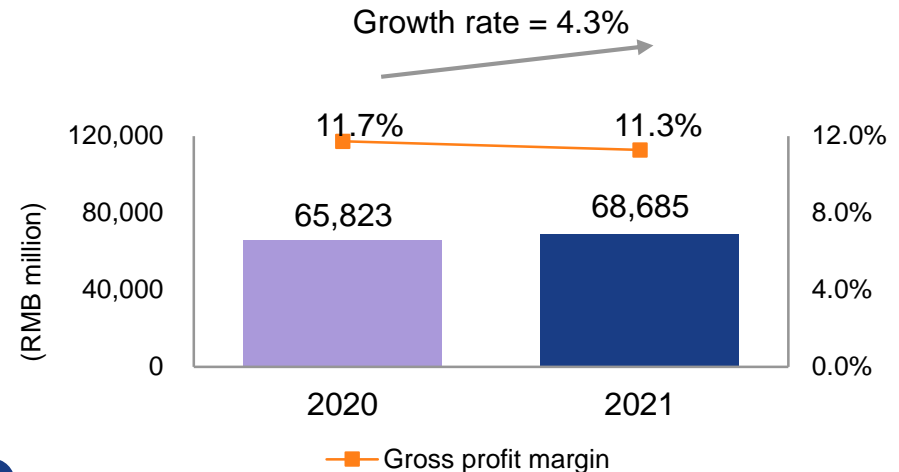


# Infrastructure Construction - Financial Performance

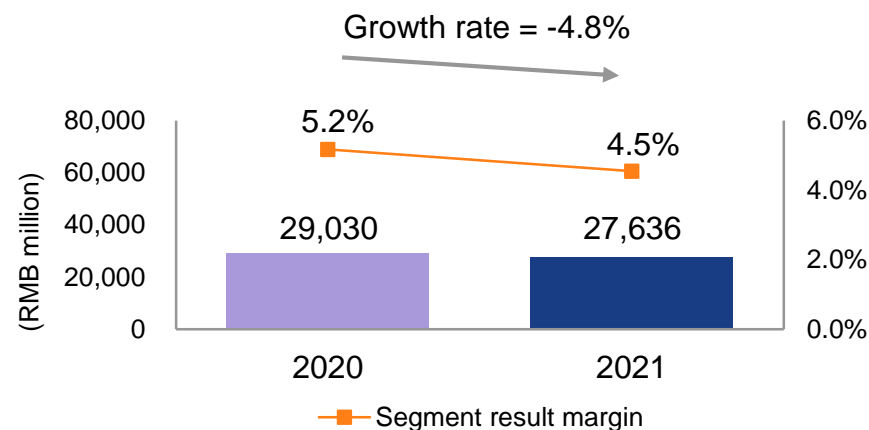
## Revenue<sup>1</sup>



## Gross Profit<sup>1</sup>



## Segment Result<sup>1,2</sup>



## REMARKS

- ◆ The revenue increased by 8.5% was mainly due to the increase of revenue generated from domestic construction projects.
- ◆ Gross profit margin decreased to 11.3% was primarily due to the increase proportion of revenue from housing projects with lower gross margins and higher raw material costs.
- ◆ Segment result margin decreased to 4.5% was primarily due to the increase in research and development costs accounted in administrative expenses.

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 – impairment losses on financial and contract assets+ other income/ (expenses), net

# Infrastructure Design - Business Performance

Completed projects with RMB 47,595 million of contract value

Key Projects



Yuli to Ruoqiang in Xinjiang Province Highway Project

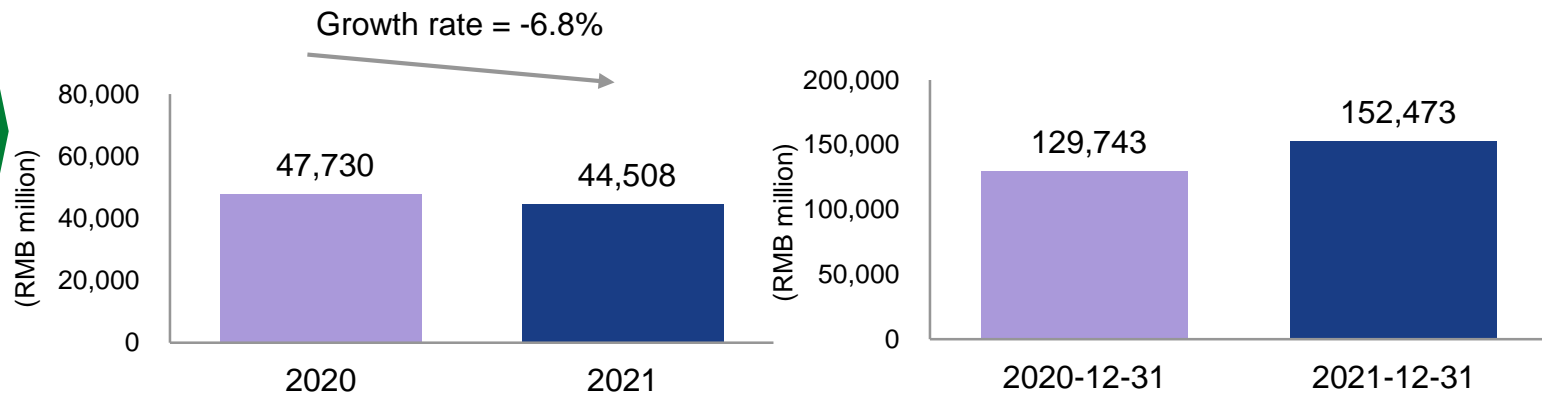


Officially Opening of 5G Smart Port-Mawan Smart Port

New Contracts and Backlog

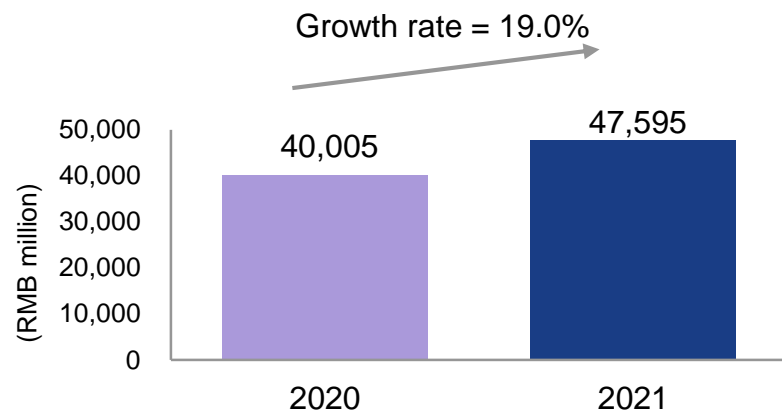
New Contracts

Backlog

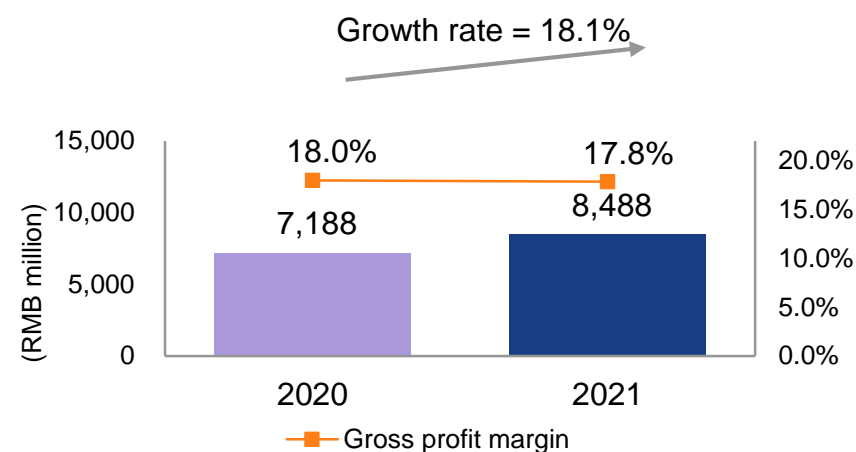


# Infrastructure Design - Financial Performance

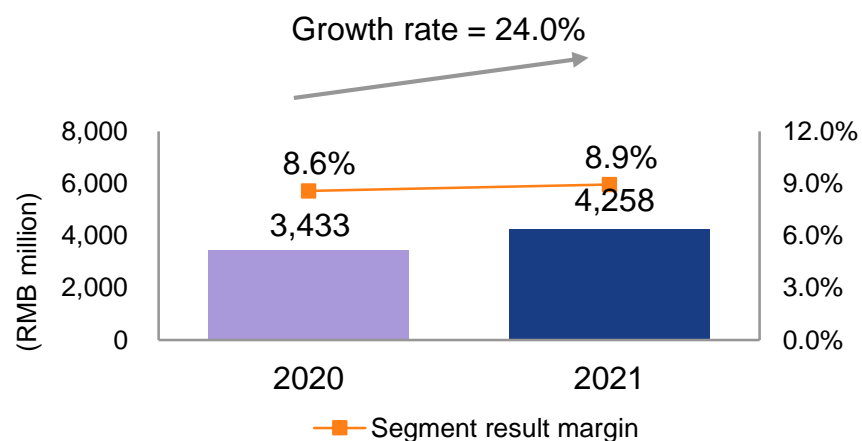
## Revenue<sup>1</sup>



## Gross Profit<sup>1</sup>



## Segment Result<sup>1,2</sup>



## REMARKS

- ◆ The increase in revenue and decrease in gross profit margin was mainly due to the increase proportion of revenue from comprehensive contracts with lower gross 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 – impairment losses on financial and contract assets + other income/ (expenses), net

# Dredging - Business Performance

Completed projects with RMB 42,973 million of contract value

Key Projects



Lanshan Port Area Deep-water Channel Phase II in Shandong Rizhao Port

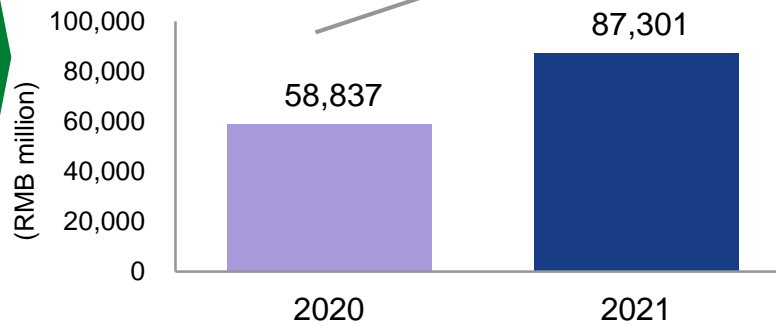


The Fenhe River Watershed Management

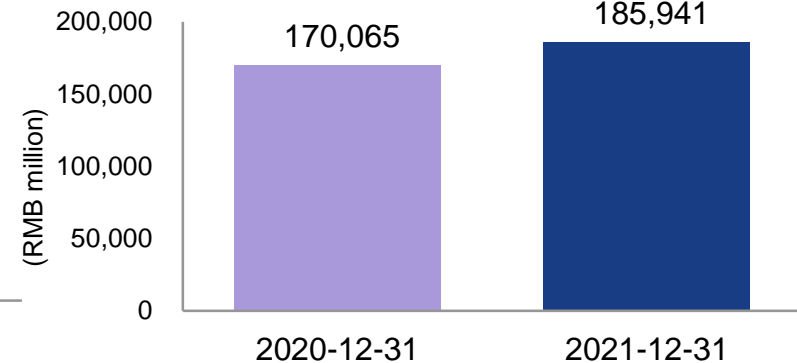
New Contracts and Backlog

New Contracts

Growth rate = 48.4%

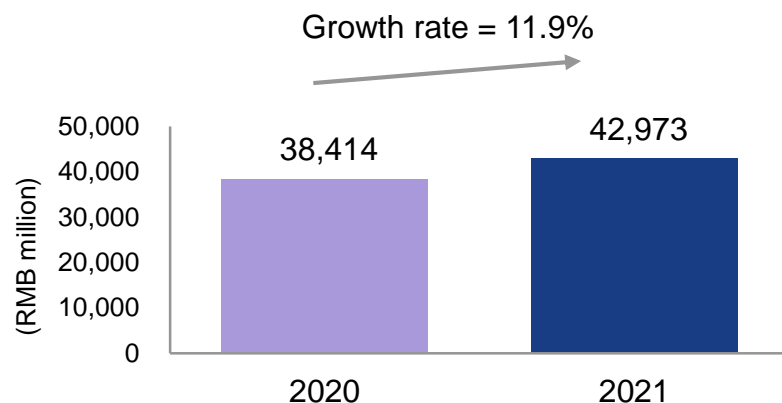


Backlog

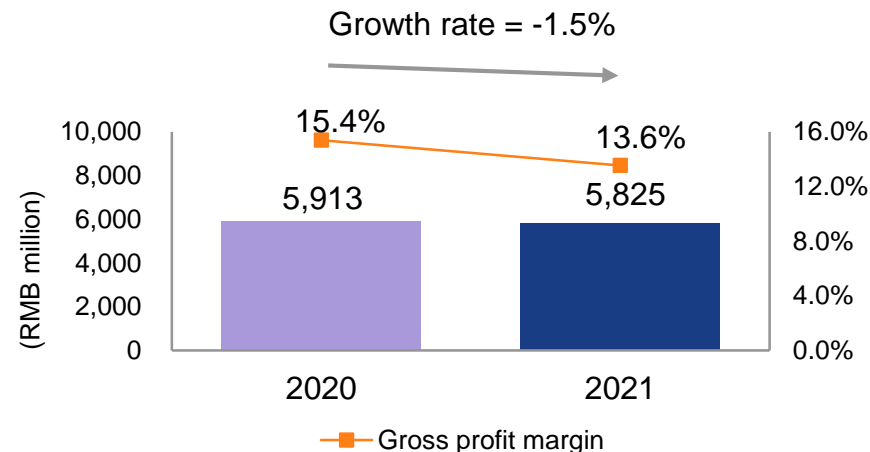


# Dredging - Financial Performance

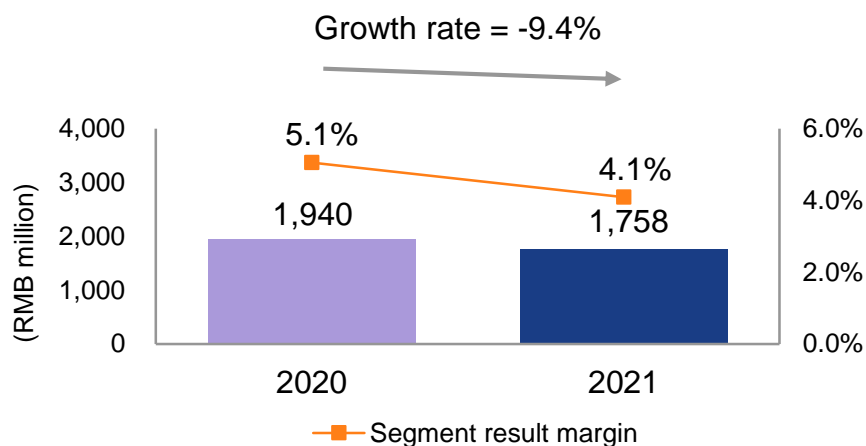
## Revenue<sup>1</sup>



## Gross Profit<sup>1</sup>



## Segment Result<sup>1,2</sup>



## REMARKS

- ◆ The increase in gross revenue was primarily attributable to the growing scale of dredging projects.
- ◆ The decrease in gross profit and gross profit margin was primarily attributable to business transformation, the decrease in revenue generated from higher gross profit margin projects, and the increase in cost of raw materials.

Notes:

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

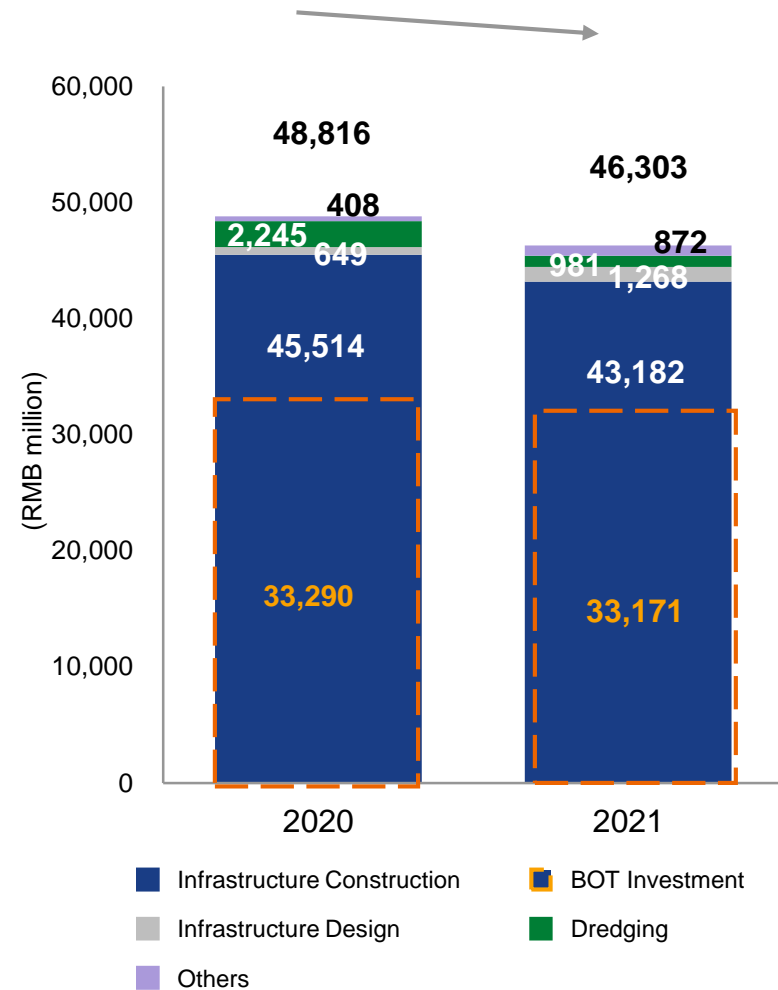
2 Segment result = revenue – cost of sales – selling and marketing expenses – administrative expenses – impairment losses on financial and contract assets + other income/ (expenses), net

# Capital Expenditure

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

## Capital expenditure

Growth rate = -5.1%



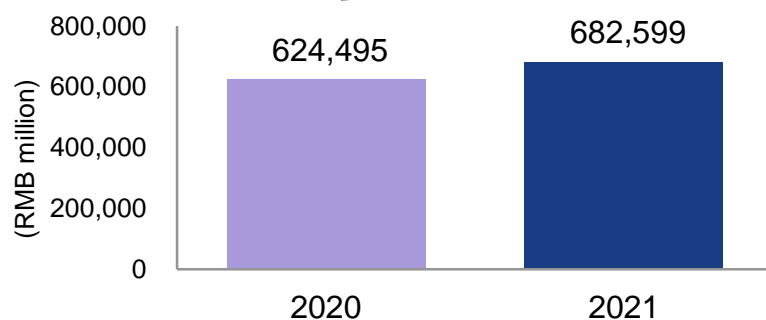
Note:

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

# Summary Income Statement Data

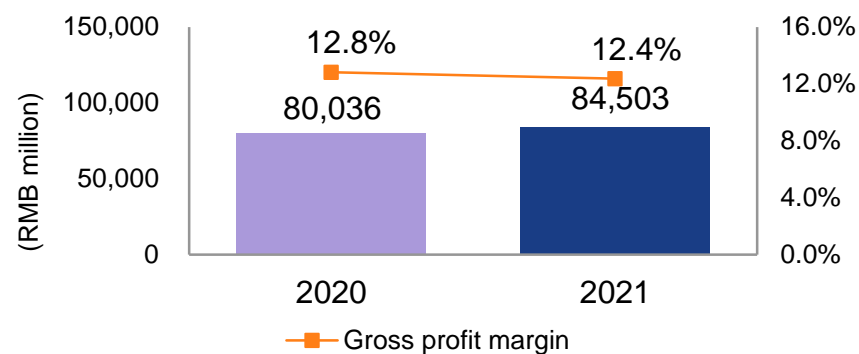
## Revenue

Growth rate = 9.3%



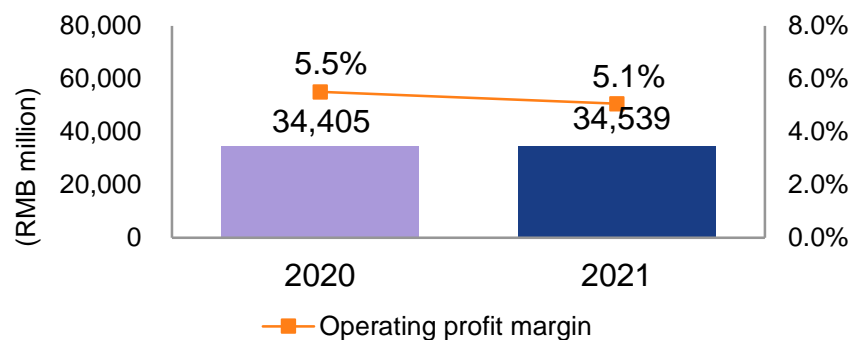
## Gross Profit

Growth rate = 5.6%



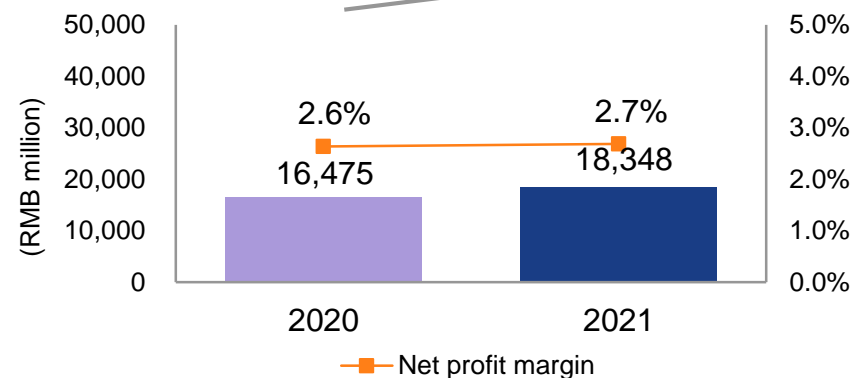
## Operating Profit

Growth rate = 0.4%



## Profit attributable to Owners of the parent

Growth rate = 11.4%





# Summary Balance Sheet Data

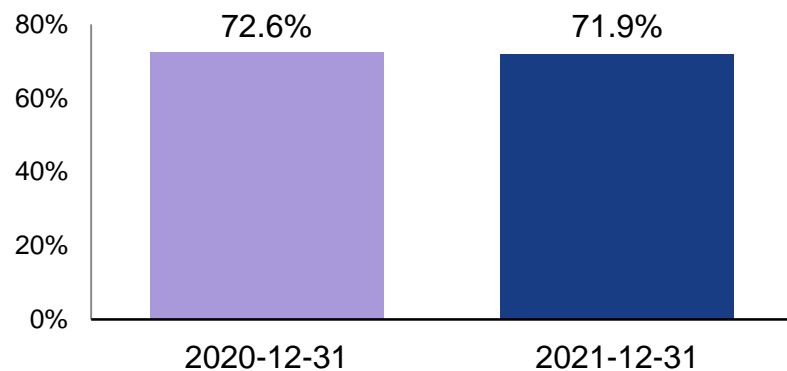
<i>RMB Million</i>	<b>As at 2021-12-31</b>	<b>As at 2020-12-31</b>	<b>Change</b>
<b>Non-current assets</b>	<b>823,492</b>	<b>719,672</b>	<b>14.4%</b>
Property, plant and equipment	61,218	61,040	0.3%
Intangible assets	229,094	229,482	--0.2%
Equity instruments designated at fair value through other comprehensive income	30,095	30,736	-2.1%
Investments in joint ventures and associates	85,326	67,602	26.2%
Contract assets, trade and other receivables	371,774	293,218	26.8%
<b>Current assets</b>	<b>567,345</b>	<b>584,497</b>	<b>-2.9%</b>
Inventories	73,064	72,877	0.3%
Contract assets, trade and other receivables	387,760	382,802	1.3%
Cash and cash equivalents	95,803	119,511	-19.8%
<b>Total Asset</b>	<b>1,390,837</b>	<b>1,304,169</b>	<b>6.6%</b>
<b>Non-current liabilities</b>	<b>400,327</b>	<b>363,657</b>	<b>10.1%</b>
Borrowings	351,844	322,888	9.0%
<b>Current liabilities</b>	<b>599,156</b>	<b>582,708</b>	<b>2.8%</b>
Trade and other payables	435,778	404,230	7.8%
Contract liabilities	80,027	88,558	-9.6%
Borrowings	76,292	82,490	-7.5%
<b>Total liabilities</b>	<b>999,483</b>	<b>946,365</b>	<b>5.6%</b>
<b>Total equity</b>	<b>391,354</b>	<b>357,804</b>	<b>9.4%</b>
	<b>As at 2021-12-31</b>	<b>As at 2020-12-31</b>	<b>Change</b>
<b>Total Liabilities / Total Assets</b>	<b>71.9%</b>	<b>72.6%</b>	<b>(0.7%)</b>
<b>Net debt / Total Capital<sup>1</sup></b>	<b>45.9%</b>	<b>44.4%</b>	<b>1.5%</b>

Notes:

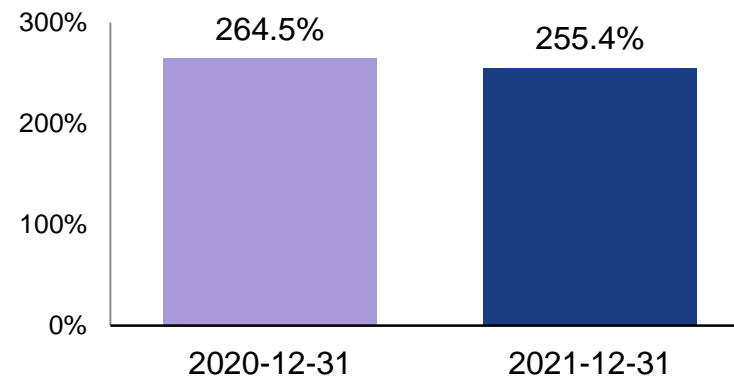
1 Net debt is total borrowings less cash and cash equivalents. Total capital is total equity plus net debt.

# Summary Balance Sheet Data

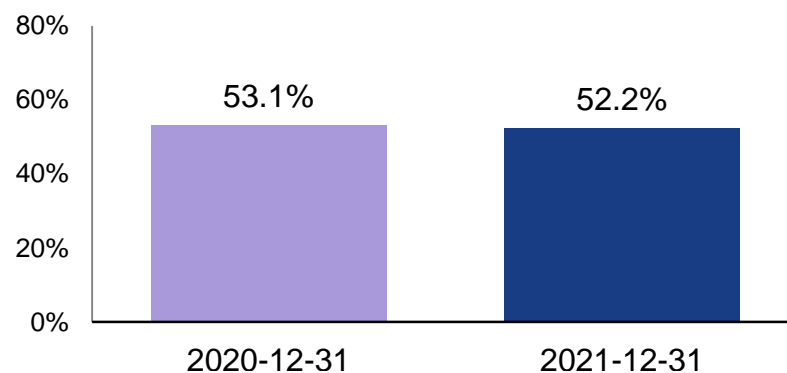
## Total Liabilities/Total Assets



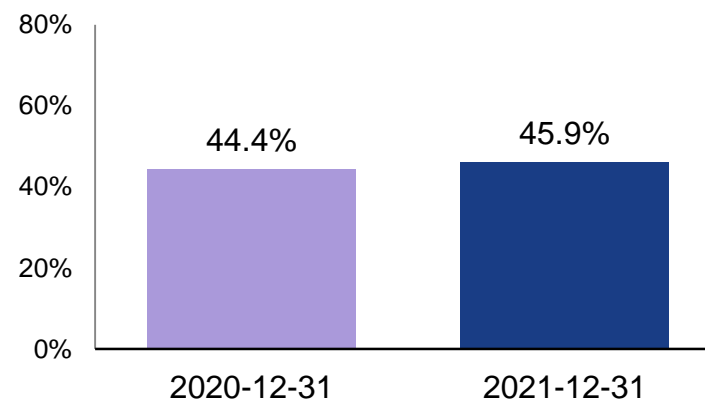
## Total Liabilities/Net Assets



## Total Debt/Total Capitalization<sup>1</sup>



## Net Debt/Total Capital<sup>2</sup>



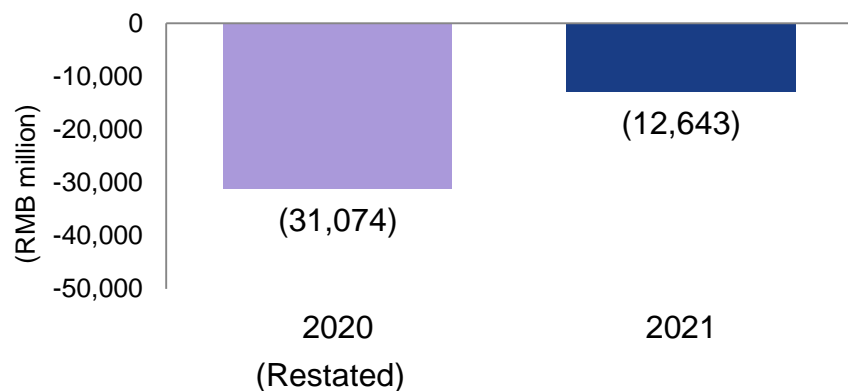
Notes:

1 Total capitalization is total equity plus total borrowings

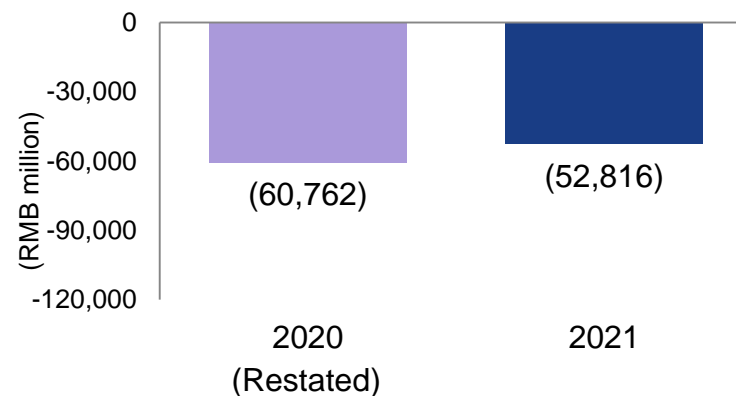
2 Net debt is total borrowings less cash and cash equivalents. Total capital is total equity plus net debt.

# Summary Cash Flow Statement Data

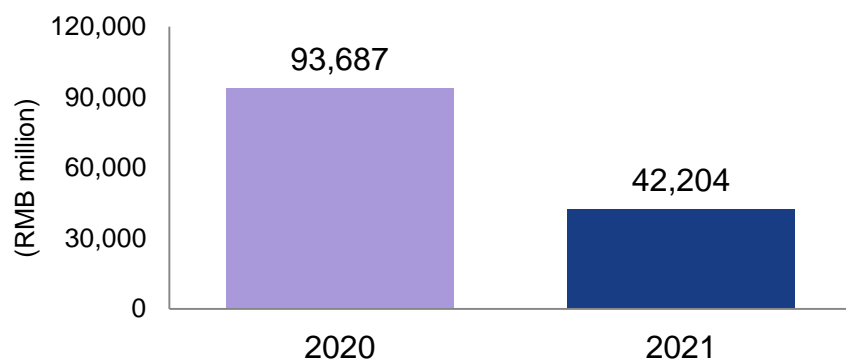
## Cash Flow from Operating Activities



## Cash Flow from Investing Activities



## Cash Flow from Financing Activities



### REMARKS

- ◆ The significant decrease of cash flow from operating activities was primarily due to the increase in turnover of contract assets, trade and other receivables and inventories.
- ◆ The decrease of cash flow from investing activities was primarily attributable to the disposals of financial assets, subsidiaries, and joint ventures and associates.
- ◆ The decrease of cash flow from financing activities was primarily attributable to the decrease in new capital requirement during the reporting period as a result of the optimized structure of infrastructure and other investment projects and the increase in account receivables turnover.

# Development Outline for “14<sup>th</sup> Five -Year Plan” Period

## First-class Enterprise with “Three Features”

The overall development goal set in the “14th Five-Year Plan”, namely to basically establish a globally competitive world-class enterprise with technology, management and quality by the “end of the Fourteenth Five-Year Plan”.

## High-quality Strategic Goal of “Two Maintains and One Strive”

The core strategic goals set in the “14th Five-Year Plan”, namely to maintain its absolute leading edge of ranking the first among top international contractors of China and Asia, to maintain its forefront ranking of A-level assessment results as a central enterprise by the State-owned Assets Supervision and Administration Commission of the State Council and to strive to be one of the top 50 companies among the Fortune Global 500 enterprises by the “end of the Fourteenth Five-Year Plan”.

## “123456” Overall Development Ideas

The overall development ideas set in the “14th Five-Year Plan”:  
“1” is to strengthen Party leadership and Party construction;  
“2” is to emphasize “two micros and two priorities (两大两优)”, namely, big transportation and big city, as well as overseas priority and rivers, lakes and seas priority;  
“3” is to concentrate on “three majors (三重)”, namely major projects, major regions and major markets;  
“4” is to intensify “four efforts (四做)”, namely efforts on investment, efforts on project, efforts on asset and efforts on capital;  
“5” is to promote the implementation of “experts in five areas (五商)”;  
“6” is to accelerate the construction of “Six Requirements (六化)”, namely requirement for market-oriented mechanism, requirement for international standards, requirement for professional spirit, requirement for regional layout, requirement for standardized management and requirement for information support.

**Thank You**

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