



中国交通建设股份有限公司

CHINA COMMUNICATIONS CONSTRUCTION COMPANY LIMITED

01800.HK

2023 Interim Results



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Financial Summary

For the six months ended 30 June

RMB million (except per share data)	1H 2023	1H 2022	Change	
	(Unaudited)	(Unaudited)		
Revenue	364,450	362,854	↑	0.4 %
Gross Profit	36,629	37,719	↑	5.1%
Profit Attributable to Owners of the Parent	12,349	11,969	↑	3.2%
Net Profit after Deducting Non-recurring Gains and Losses	11,896	9,064	↑	31.2%
Net Profit Margin	3.4%	3.3%	↑	0.1 percentile
EPS ¹	0.72	0.70	↑	2.9%

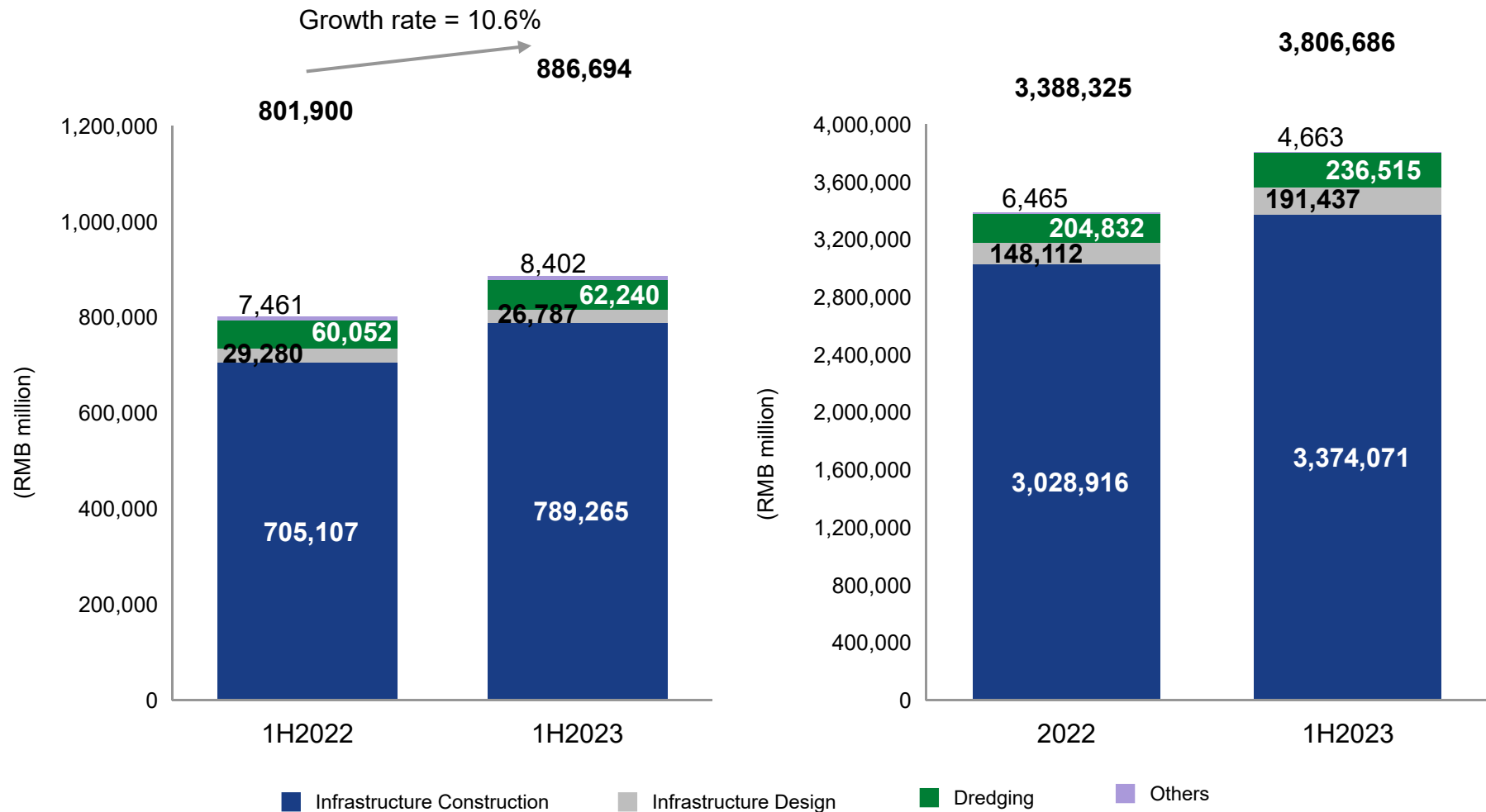
Notes:

1 When calculating the amount of earnings per share for the six months ended June 30, 2023, the interest on perpetual bonds is deducted from RMB 687 million.

New Contracts and Backlog by Business Segments

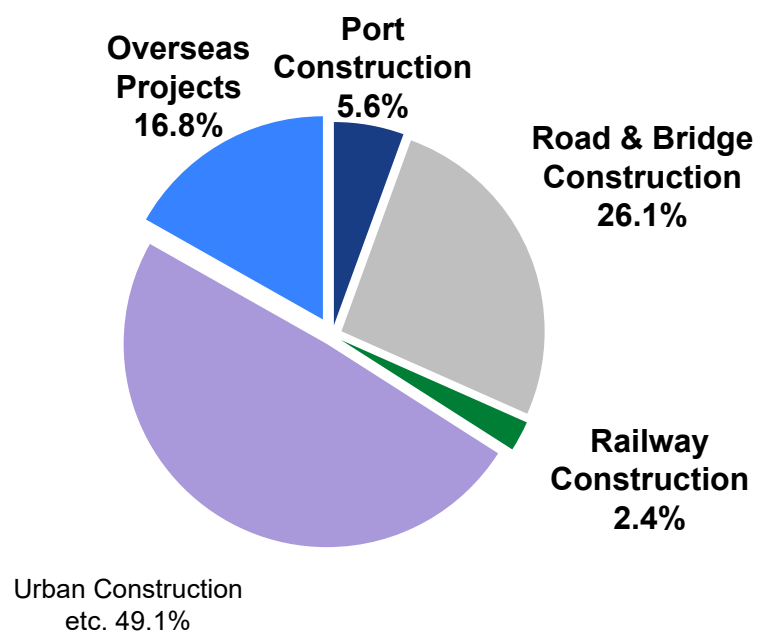
New Contracts

Backlog



New Contracts of Infrastructure Construction Business

New Contracts of Infrastructure Construction Business (1H 2023)¹



For the six months ended 30 June

	1H 2023		1H 2022		Change	
	RMB million	% of total	RMB million	% of total	RMB million	Growth
Domestic Construction	656,563	83.2%	595,080	84.4%	61,483	10.3%
Port Construction	43,862	5.6%	38,368	5.4%	5,494	14.3%
Road & Bridge Construction	205,866	26.1%	178,914	25.3%	26,952	15.1%
Railway Construction	18,995	2.4%	17,931	2.5%	1,064	5.9%
Urban Construction etc.	387,840	49.1%	359,867	51.0%	27,973	7.8%
Overseas Construction	132,701	16.8%	110,027	15.6%	22,674	20.6%
Total	789,265	100.0%	705,107	100.0%	84,157	11.9%

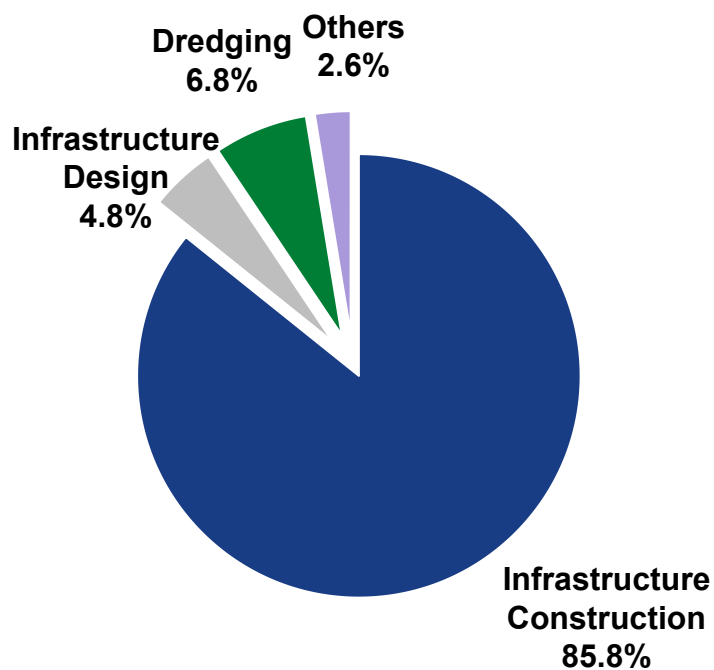
Note:

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

Contribution by Business Segments - Revenue

For the six months ended 30 June

Revenue (1H 2023) ¹



Business	1H 2023		1H 2022		Change	
	RMB million	% of total	RMB million	% of total	RMB million	Growth
Infrastructure Construction	327,822	85.8%	323,881	84.9%	3,941	1.2%
Infrastructure Design	18,509	4.8%	22,020	5.8%	-3,511	-15.9%
Dredging	26,059	6.8%	26,268	6.9%	-209	-0.8%
Others	9,870	2.6%	8,966	2.4%	904	10.1%
Total (before elimination)	382,260	100.0%	381,135	100.0%	1,125	0.3%

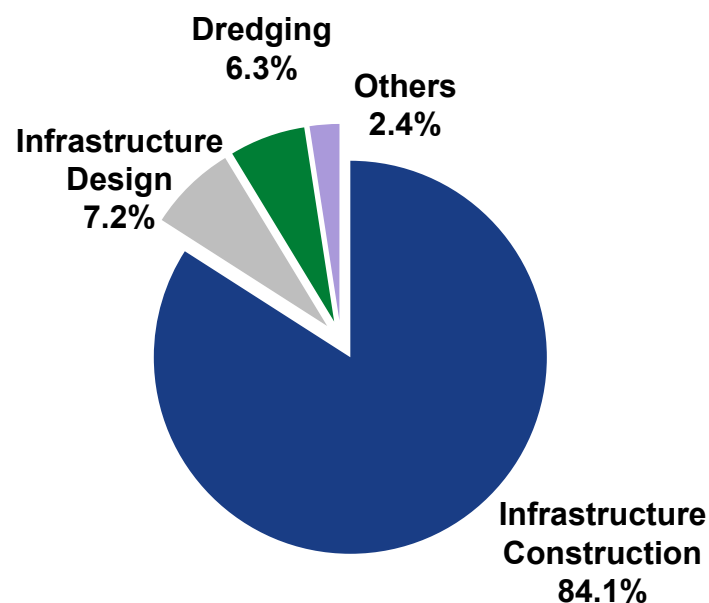
Note:

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

Contribution by Business Segments - Segment Result

For the six months ended 30 June

Segment Result (1H 2023) ¹



Business	1H 2023		1H 2022		Change	
	RMB million	% of total	RMB million	% of total	RMB million	Growth
Infrastructure Construction	16,517	84.1%	17,566	84.4%	-1,049	-6.0%
Infrastructure Design	1,424	7.2%	1,697	8.2%	-273	-16.1%
Dredging	1,228	6.3%	1,130	5.4%	98	8.7%
Others	478	2.4%	419	2.0%	59	14.1%
Total (before elimination)	19,647	100.0%	20,812	100.0%	-1,165	-5.6%

Note:

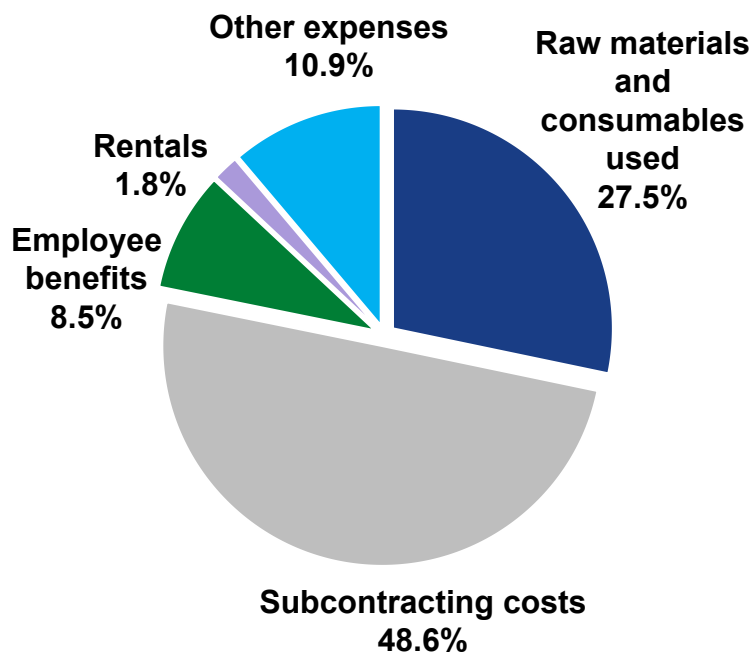
¹ All figures are before elimination of inter-segment transactions and unallocated costs

Operating Cost Structure

For the six months ended 30 June

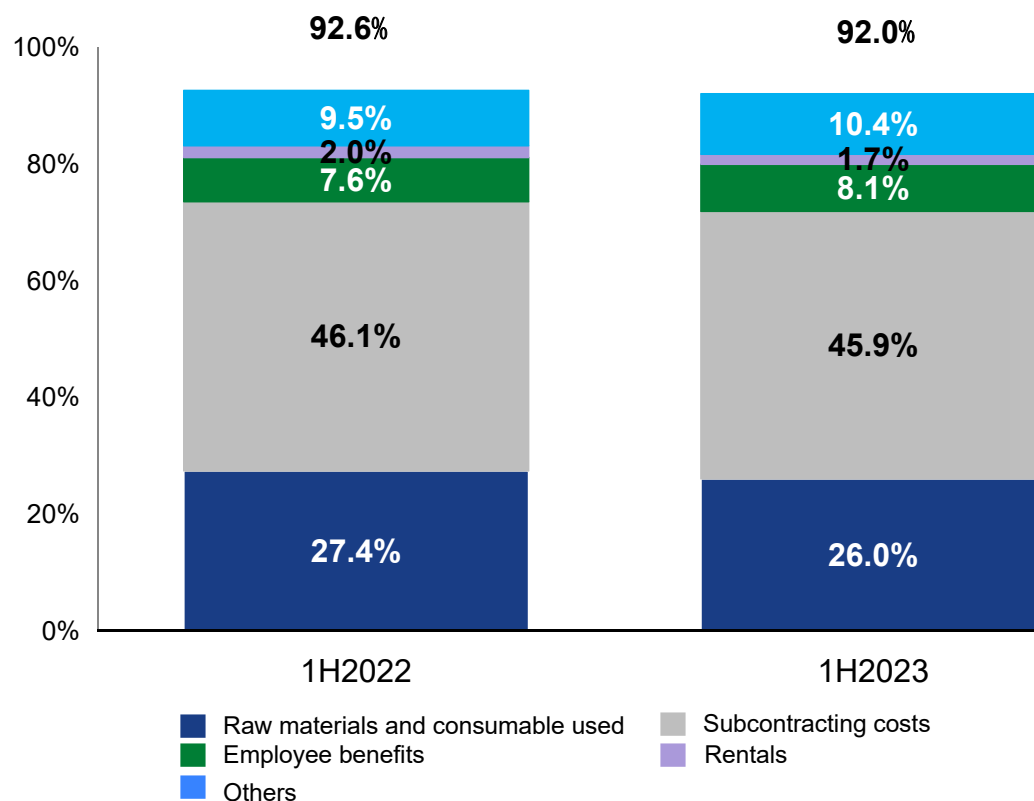
Cost Breakdown (1H 2023)

As % of operating costs¹



Cost Structure (1H 2023)

As % of sales



Note:

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

Infrastructure Construction - Business Performance

Completed projects with RMB 327,822 million of contract value

Key Projects



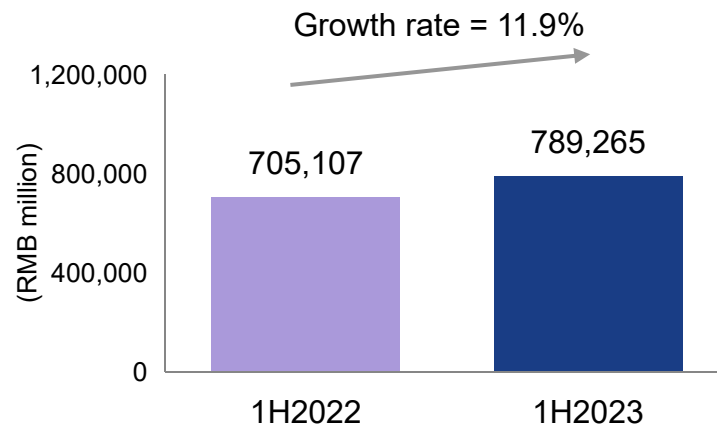
Subsea Tunnel of Shenzhen-Zhongshan Bridge



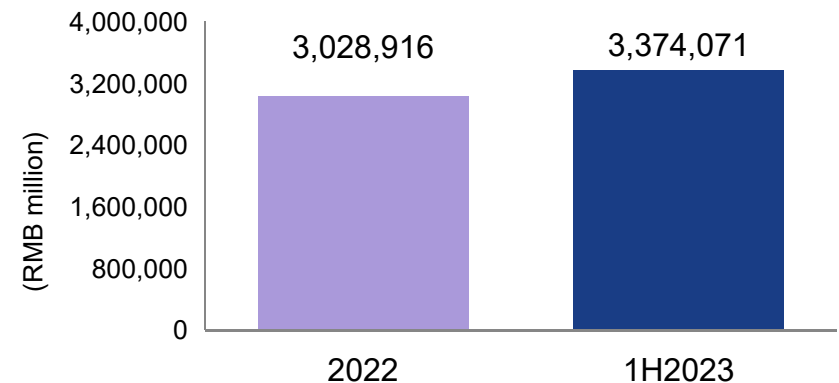
Serbia E763 Highway

New Contracts and Backlog

New Contracts

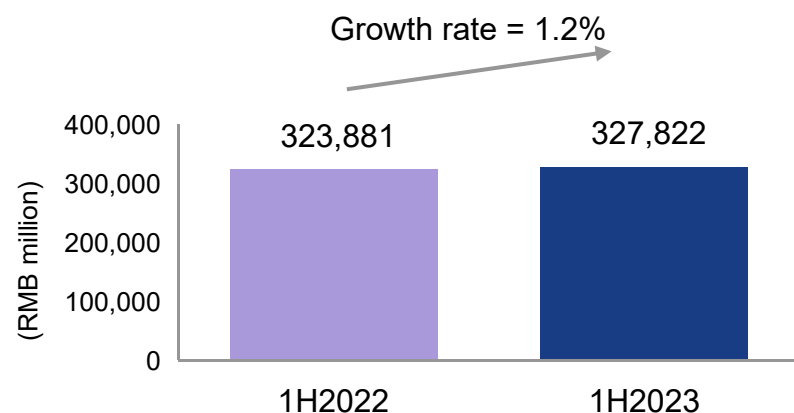


Backlog

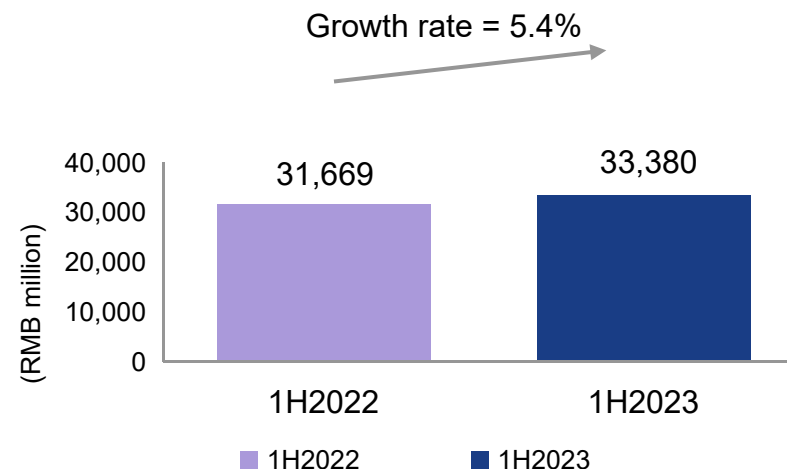


Infrastructure Construction - Financial Performance

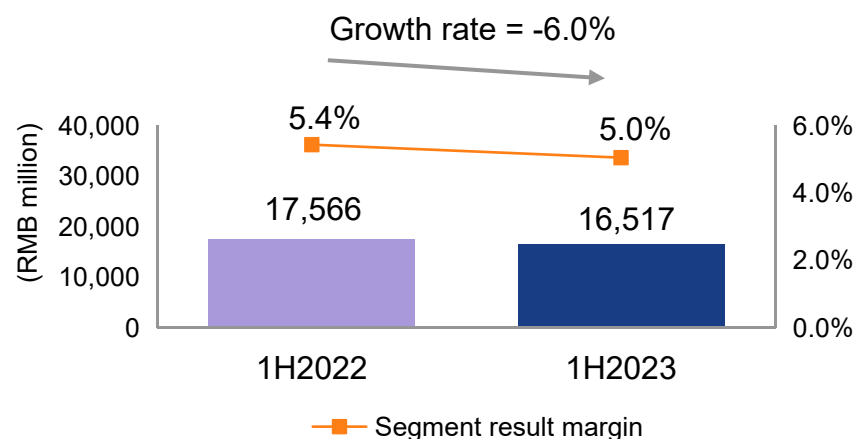
Revenue¹



Gross Profit¹



Segment Result^{1,2}



REMARKS

- ◆ Revenue growth was mainly due to the increased revenue contribution of overseas projects.
- ◆ The increase of gross profit margin is mainly due to the efficient methods on cost control and structural adjustment of domestic 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 – impairment losses on financial and contract assets+ other income/ (expenses), net

Infrastructure Design - Business Performance

Completed projects with RMB 18,509 million of contract value

Key Projects



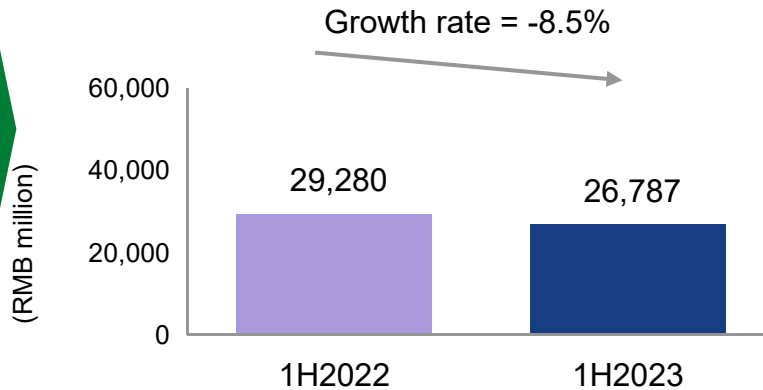
Nanjing Jiangxinzhou Yangtze River Bridge



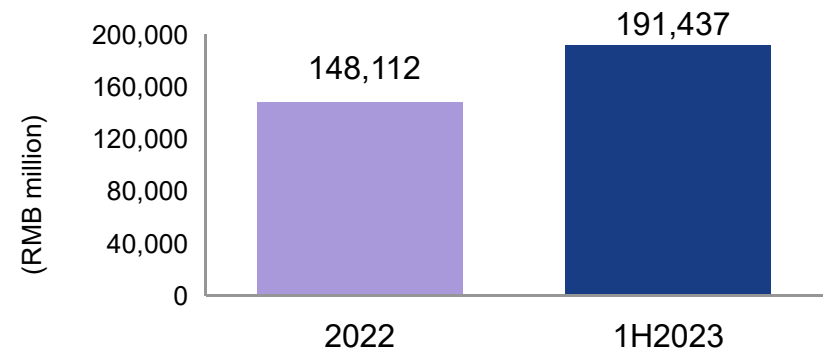
Lekki Deep Sea Port in Nigeria

New Contracts and Backlog

New Contracts

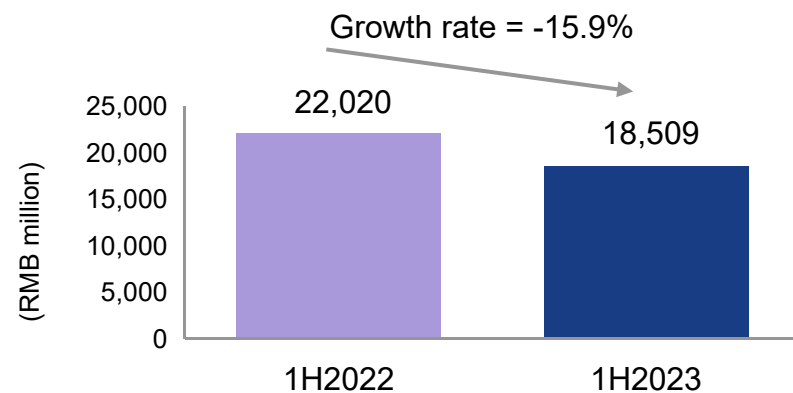


Backlog

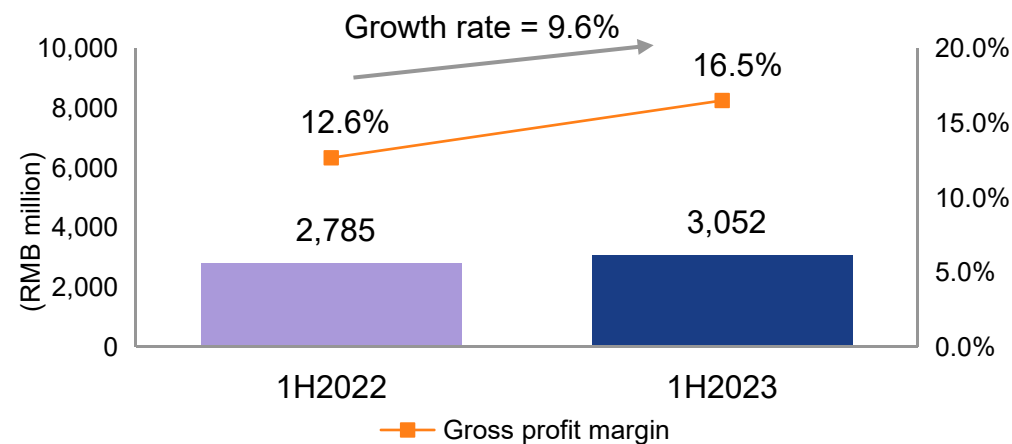


Infrastructure Design - Financial Performance

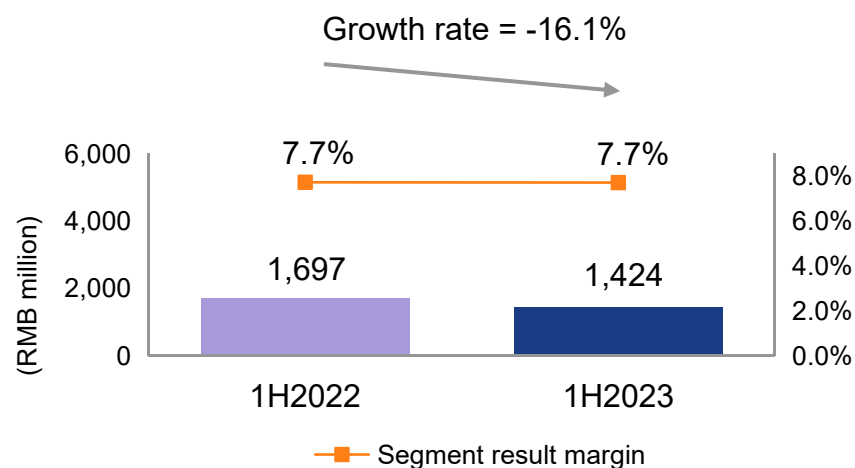
Revenue¹



Gross Profit¹



Segment Result^{1,2}



REMARKS

- ◆ Infrastructure design business revenue declined while the gross profit margin increased, mainly due to the adjustment of business structure, focus on the core business.
- ◆ The decline in segment performance was mainly due to large one-time gains in 1H 2022 and increased R & D 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

Dredging - Business Performance

Completed projects with RMB 26,059 million of contract value

Key Projects

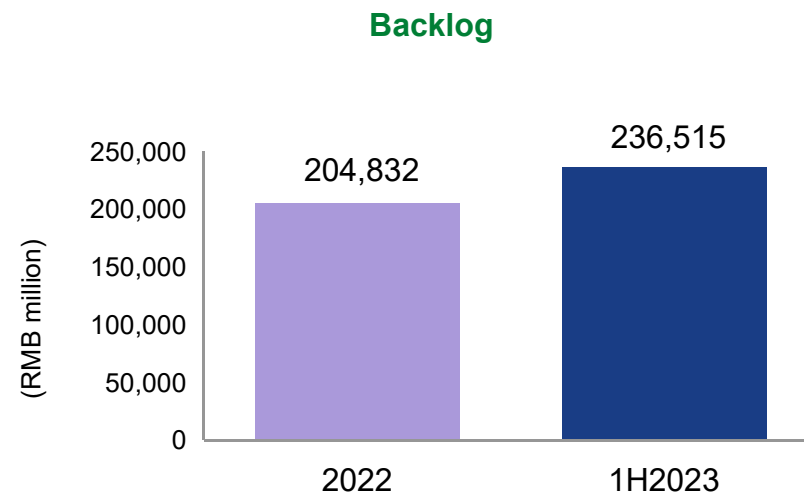
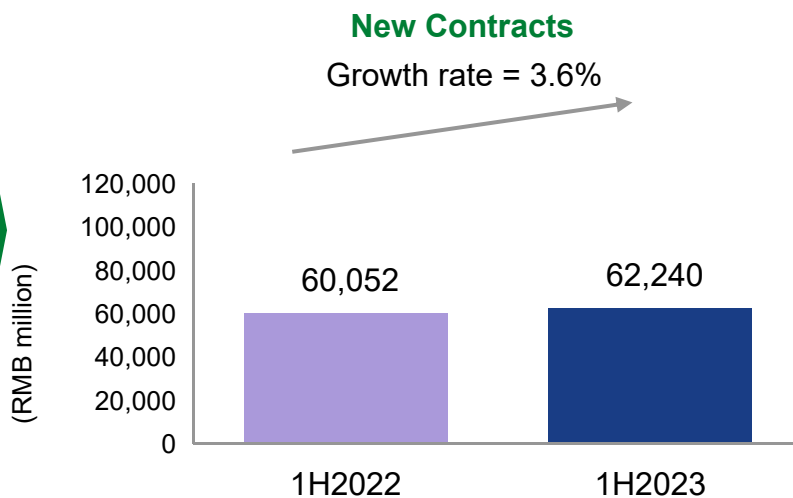


Pinglu Canal in Guangxi Province



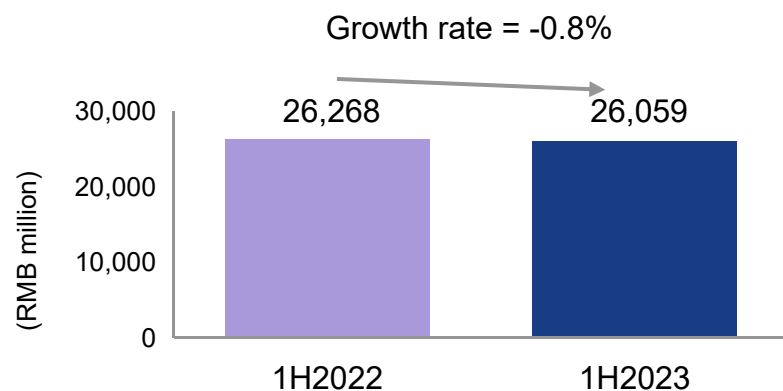
The First Phase of Yangtze-to-Huaihe Water Diversion Project in Anhui Province

New Contracts and Backlog

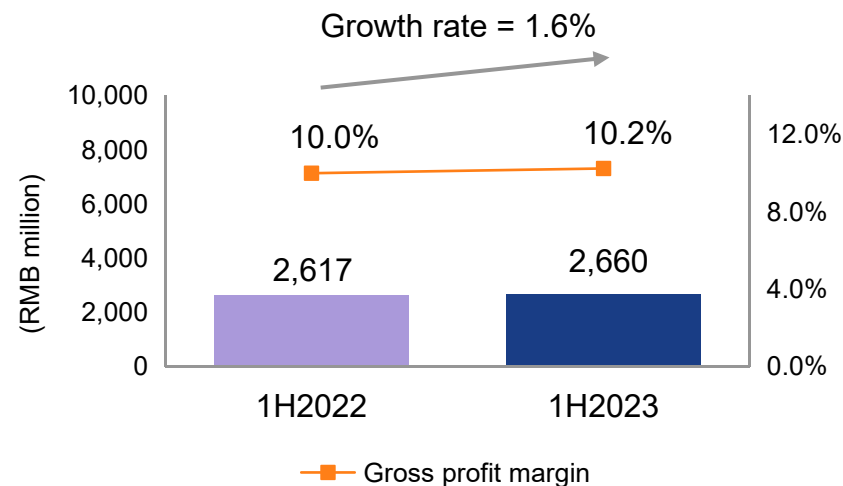


Dredging - Financial Performance

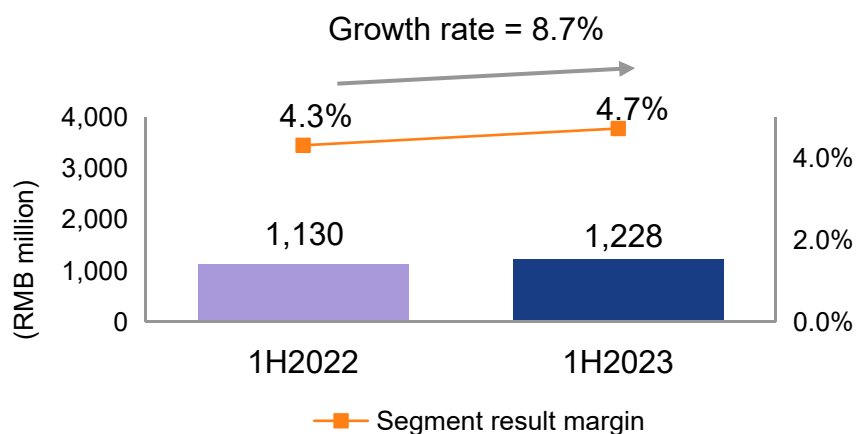
Revenue¹



Gross Profit¹



Segment Result^{1,2}



REMARKS

- ◆ Dredging business revenue decreased and gross profit increased, mainly due to lower costs.
- ◆ The improvement on segment result was mainly due to the decrease in growth scale of contract assets compared to that of 1H 2022, gains on foreign exchange and the rental income from leasing asset.

Notes:

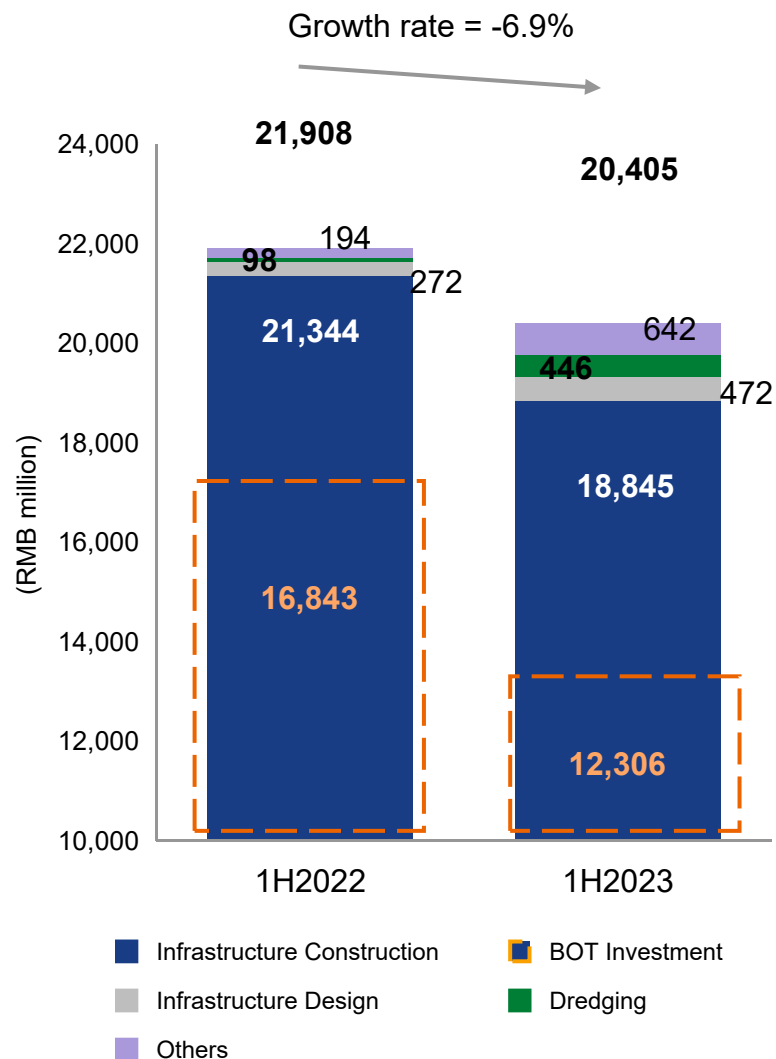
1 All figures are before elimination of inter-segment transactions and unallocated costs

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

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

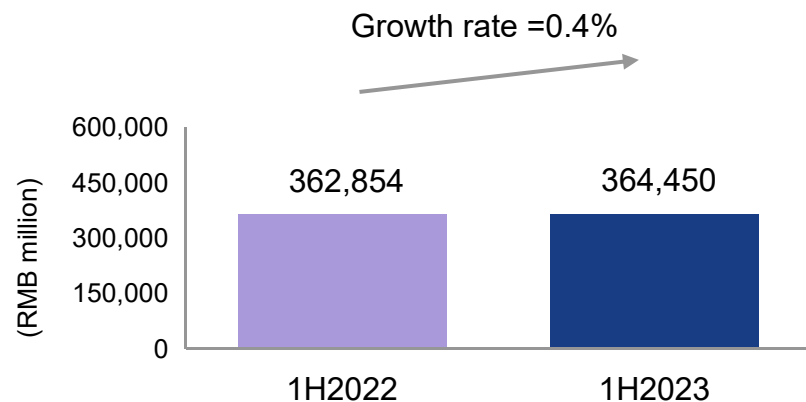


Note:

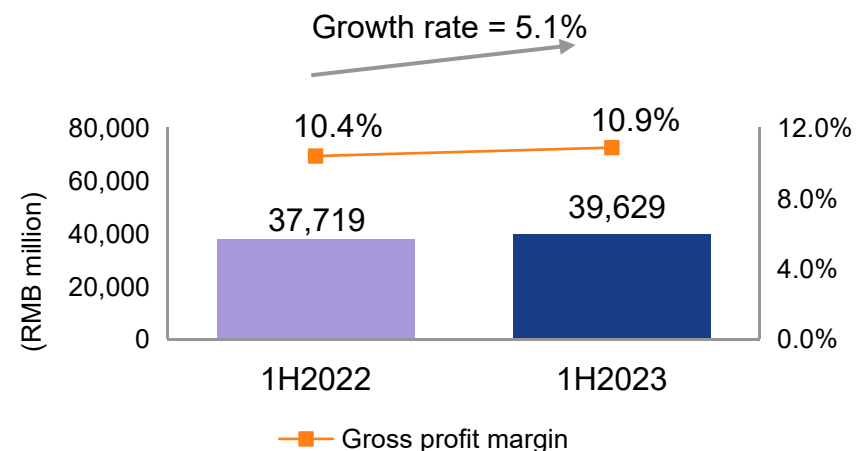
1 Capital expenditure is implemented by means of both cash purchase and financial lease

Summary Income Statement Data

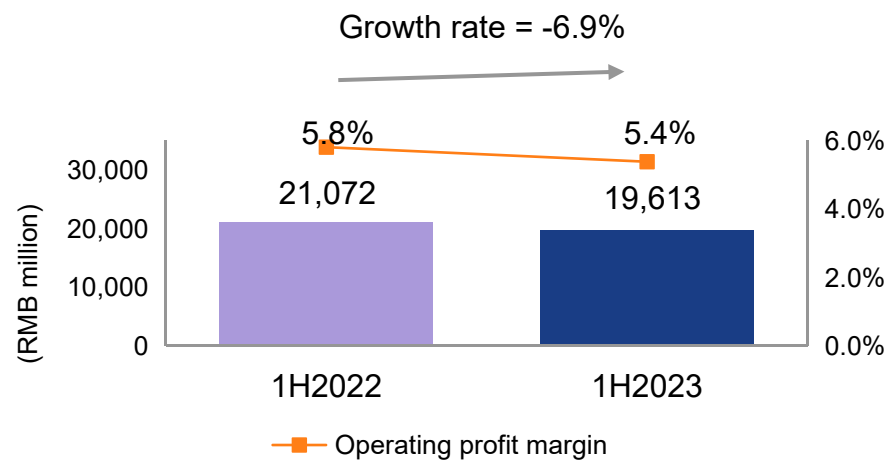
Revenue



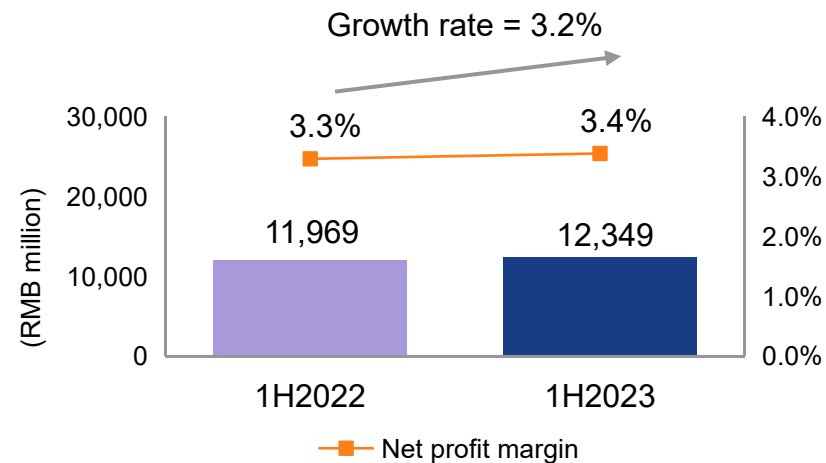
Gross Profit



Operating Profit



Profit attributable to Owners of the parent



Summary Balance Sheet Data

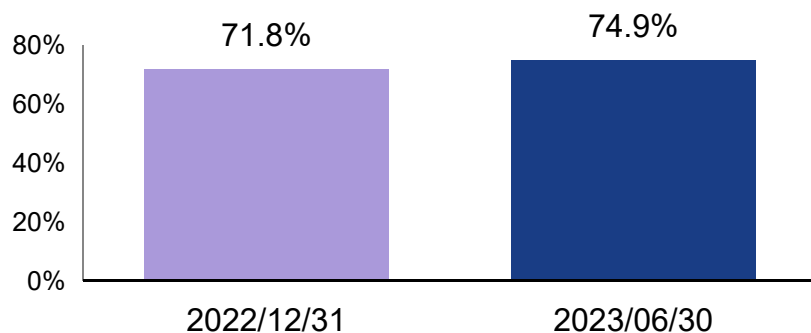
RMB Million	As at 2023-06-30	As at 2022-12-31	Change
Non-current assets	984,436	895,100	10.0%
Property, plant and equipment	62,846	60,148	4.5%
Intangible assets	220,469	219,531	0.4%
Equity instruments designated at fair value through other comprehensive income	23,420	24,084	-2.8%
Investments in joint ventures and associates	104,018	99,304	4.7%
Contract assets, trade and other receivables	509,330	431,763	18.0%
Current assets	762,012	616,367	23.6%
Inventories	90,037	78,263	15.0%
Contract assets, trade and other receivables	505,037	423,843	19.2%
Cash and cash equivalents	152,180	103,202	47.5%
Total Asset	1,746,448	1,511,467	15.5%
Non-current liabilities	477,602	423,828	12.7%
Borrowings	420,481	372,344	12.9%
Current liabilities	830,713	661,349	25.6%
Trade and other payables	557,971	482,945	15.5%
Contract liabilities	82,314	76,629	7.4%
Borrowings	182,874	93,680	95.2%
Total liabilities	1,308,315	1,085,177	20.6%
Total equity	438,133	426,290	2.8%
	As at 2023-06-30	As at 2022-12-31	Change
Total Liabilities / Total Assets	74.9%	71.8%	3.1%
Net debt / Total Capital¹	50.7%	46.0%	4.7%

Notes:

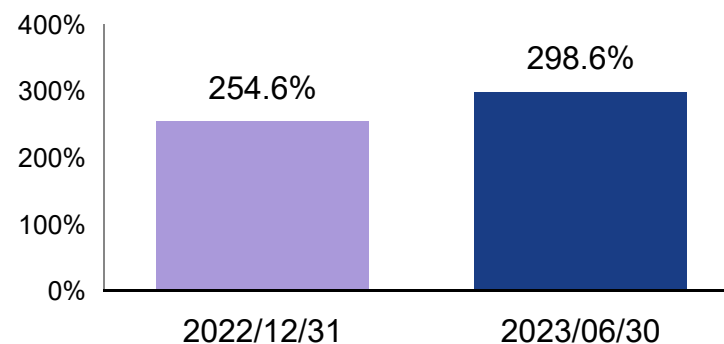
1 Net debt is total borrowings less cash and cash equivalents. Total capital is total equity plus net debt.

Summary Balance Sheet Data

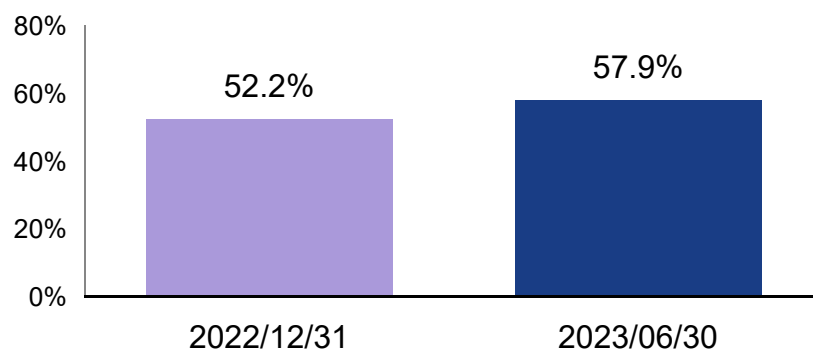
Total Liabilities/Total Assets



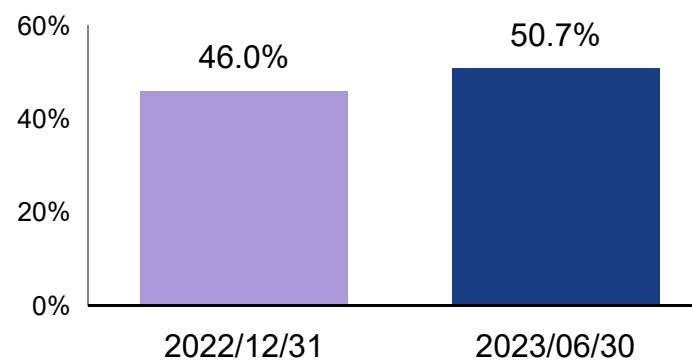
Total Liabilities/Net Assets



Total Debt/Total Capitalization¹



Net Debt/Total Capital²



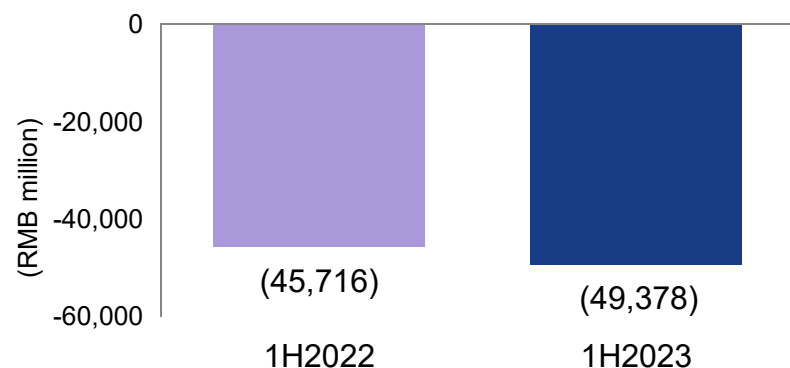
Notes:

1 Total capitalization is total equity plus total borrowings

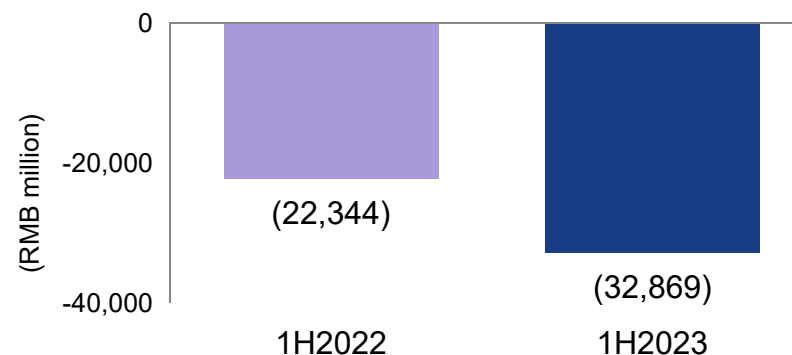
2 Net debt is total borrowings less cash and cash equivalents. Total capital is total equity plus net debt.

Summary Cash Flow Statement Data

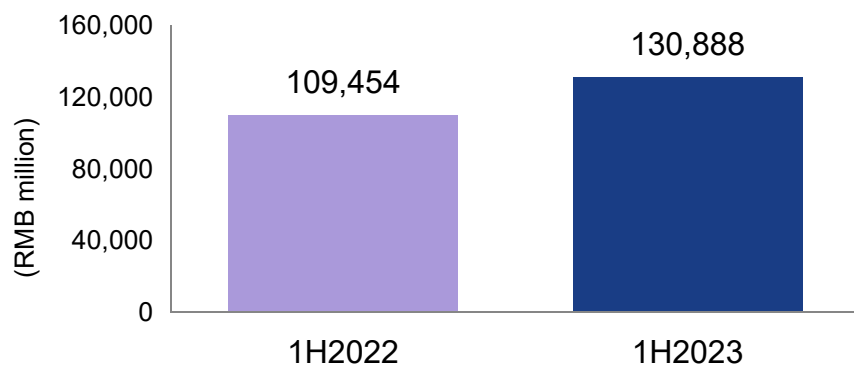
Cash Flow from Operating Activities



Cash Flow from Investing Activities



Cash Flow from Financing Activities



REMARKS

- ◆ Net cash flow from operating activities was a net outflow of RMB49.378 billion, compared with a net outflow of RMB45.716 billion in 1H 2022.
- ◆ The net cash flow from investment activities was a net outflow of RMB 32.869 billion, compared with a net outflow of RMB 22.344 billion in 1H 2022. The increase of 47.1% was mainly due to the cash received from the disposal of subsidiary equity in 1H2022, and purchase of financial assets.
- ◆ The net cash flow generated by financing activities was a net inflow of RMB130.888 billion, with an increase rate of 19.6%. The increase in the net inflow was mainly due to the increase in borrowing for business development.

Development Outline for “14th 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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