



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

01800.HK

2021 Interim Results Presentation



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Financial Summary

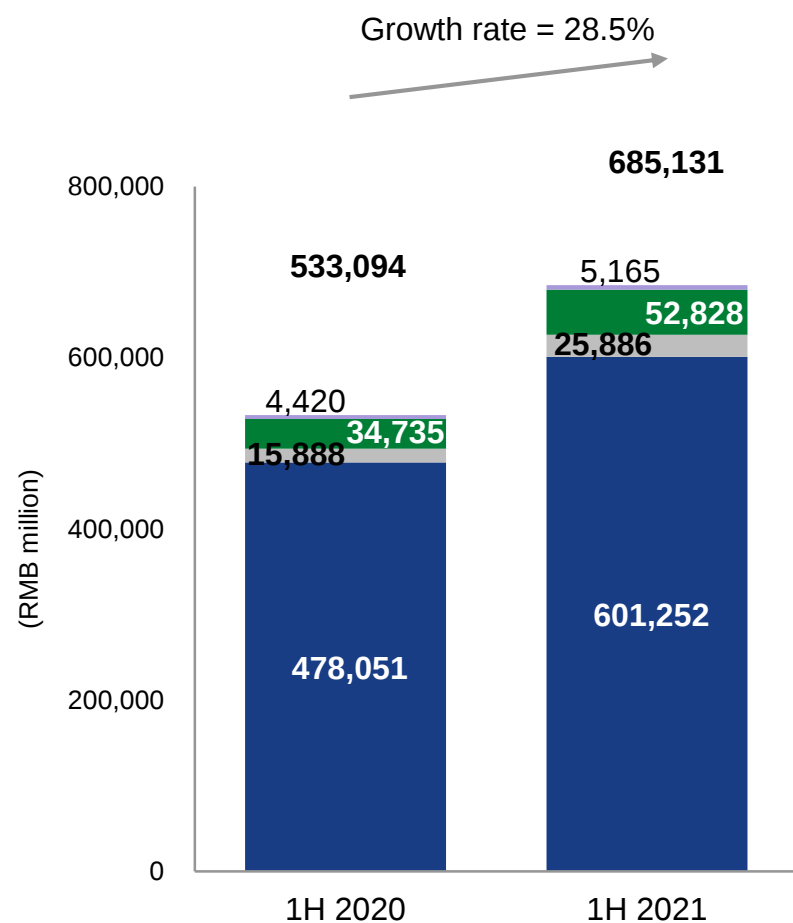
RMB million (except per share data)	1H 2021 (Unaudited)	1H 2020 (Unaudited)	Change
Revenue	339,218	245,410	↑ 38.2%
Gross Profit	38,015	28,511	↑ 33.3%
Operating Profit	18,458	13,543	↑ 36.3%
EBITDA ¹	24,588	19,398	↑ 26.8%
Profit before income tax	15,904	9,538	↑ 66.7%
Profit attributable to owners of the parent	10,386	5,517	↑ 88.3%
EPS ²	0.60	0.28	↑ 114.3%

Notes:

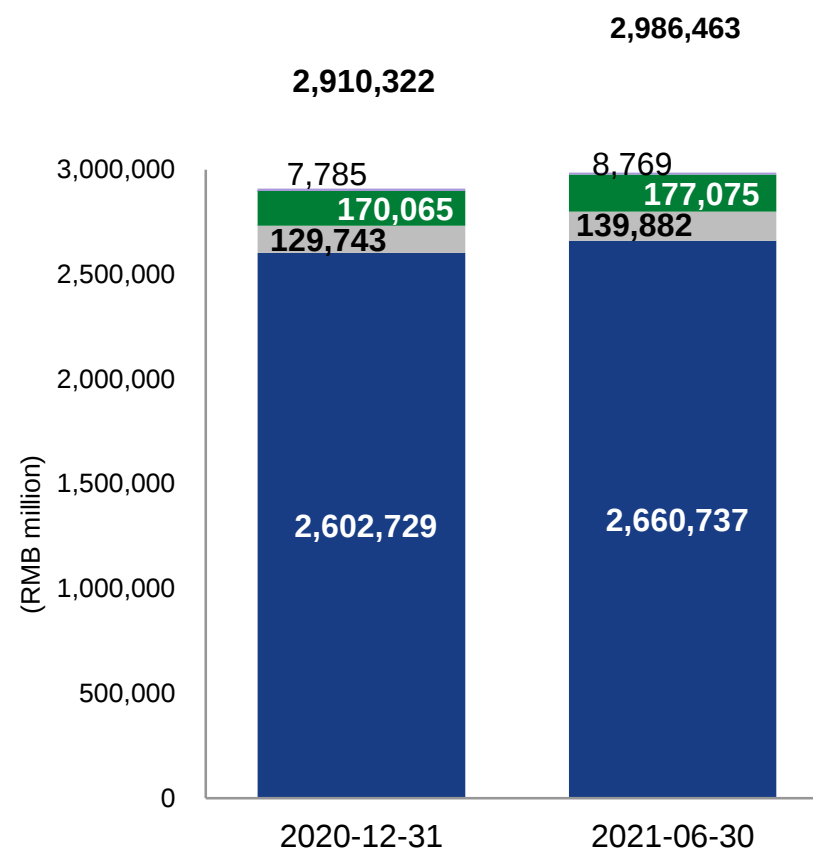
- 1 EBITDA is calculated by adding back depreciation and amortisation to the operating profit.
- 2 In calculating the amount of basic earnings per share for the six months ended 30 June 2021, the interests/dividends with an aggregate amount of approximately RMB748 million shall be excluded from profits.

New Contracts and Backlog by Business Segments

New Contracts



Backlog



■ Infrastructure Construction

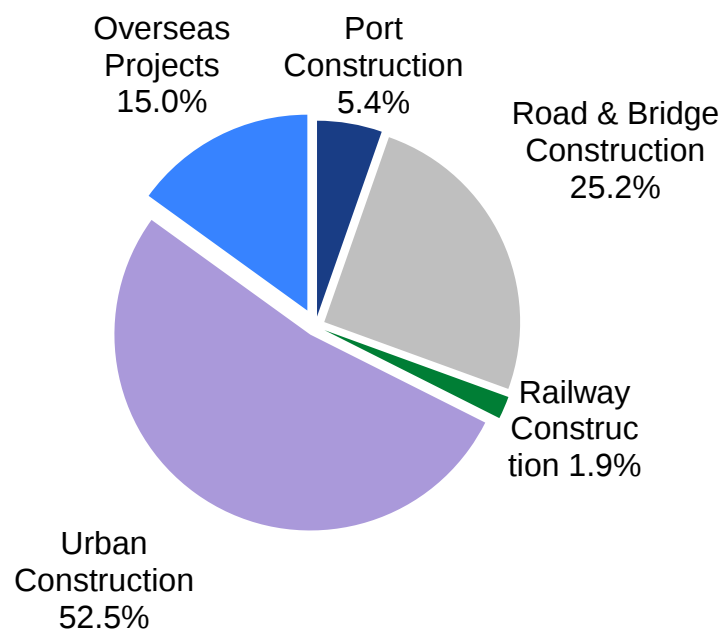
■ Infrastructure Design

■ Dredging

■ Others

New Contracts of Infrastructure Construction Business

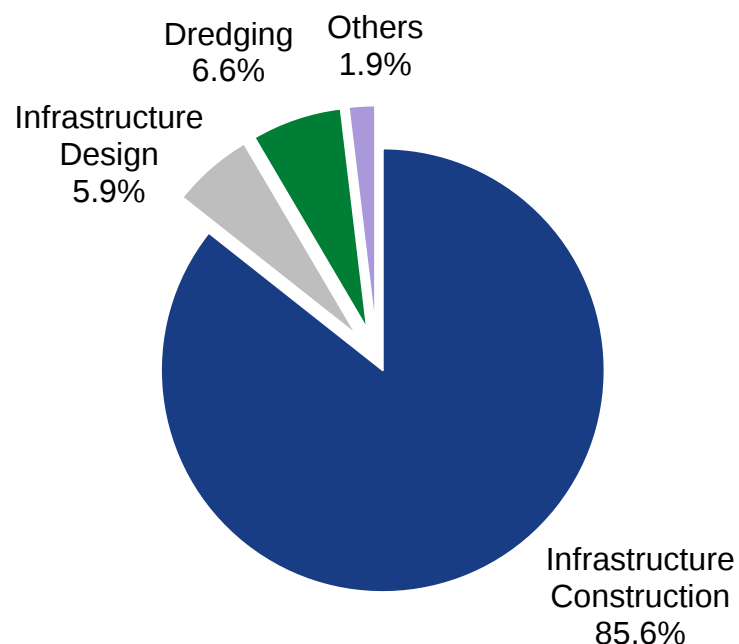
New Contracts of Infrastructure Construction Business (1H 2021)



	1H 2021		1H 2020		Change	
	RMB million	% of total	RMB million	% of total	RMB million	Growth
Domestic Construction	510,898	85.0%	362,955	75.9%	147,943	40.8%
Port Construction	32,201	5.4%	22,032	4.6%	10,169	46.2%
Road & Bridge Construction	151,888	25.2%	117,430	24.6%	34,458	29.3%
Railway Construction	11,227	1.9%	1,164	0.2%	10,063	864.5%
Urban Construction	315,582	52.5%	222,329	46.5%	93,253	41.9%
Overseas Projects	90,354	15.0%	115,096	24.1%	(24,742)	(21.5%)
Total	601,252	100.0%	478,051	100.0%	123,201	25.8%

Contribution by Business Segments - Revenue

Revenue (1H 2021) ¹



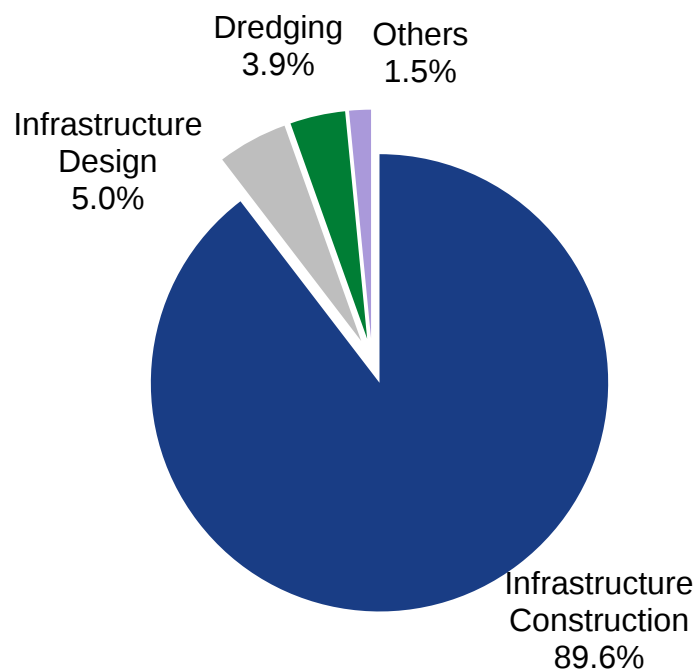
Business	1H 2021		1H 2020		Change	
	RMB million	% of total	RMB million	% of total	RMB million	Growth
Infrastructure Construction	303,730	85.6%	218,839	86.4%	84,891	38.8%
Infrastructure Design	20,897	5.9%	13,628	5.4%	7,269	53.3%
Dredging	23,245	6.6%	16,122	6.3%	7,123	44.2%
Others	6,728	1.9%	4,791	1.9%	1,937	40.4%
Total (before elimination)	354,600	100.0%	253,380	100.0%	101,220	39.9%

Note :

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

Contribution by Business Segments - Segment Result

Segment Result (1H 2021) ¹



Business	1H 2021		1H 2020		Change	
	RMB million	% of total	RMB million	% of total	RMB million	Growth
Infrastructure Construction	15,773	85.6%	11,980	89.6%	3,793	31.7%
Infrastructure Design	1,440	7.8%	663	5.0%	777	117.2%
Dredging	1,011	5.5%	522	3.9%	489	93.7%
Others	195	1.1%	206	1.5%	(11)	(5.3%)
Total (before elimination)	18,419	100.0%	13,371	100.0%	5,048	37.8%

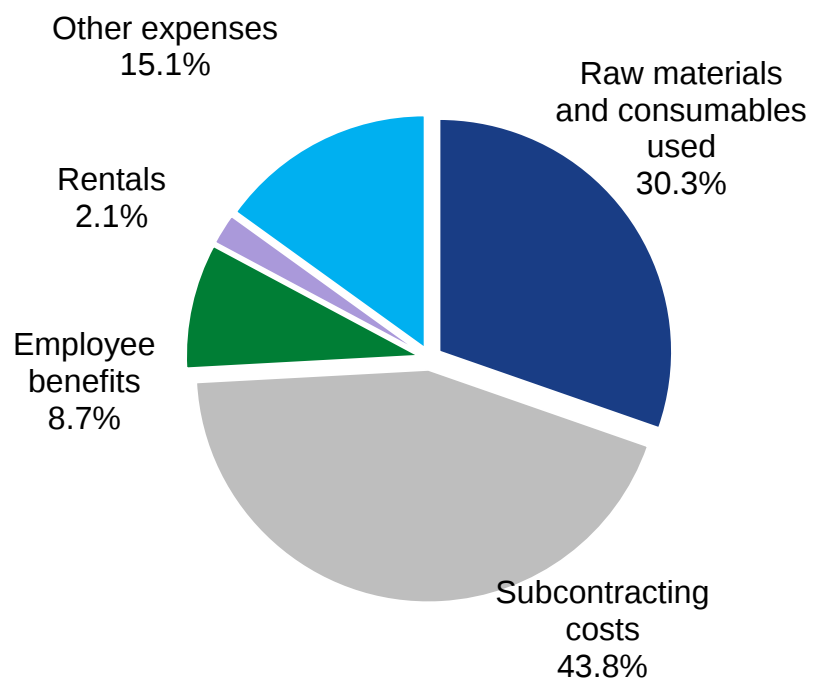
Note :

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

Operating Cost Structure

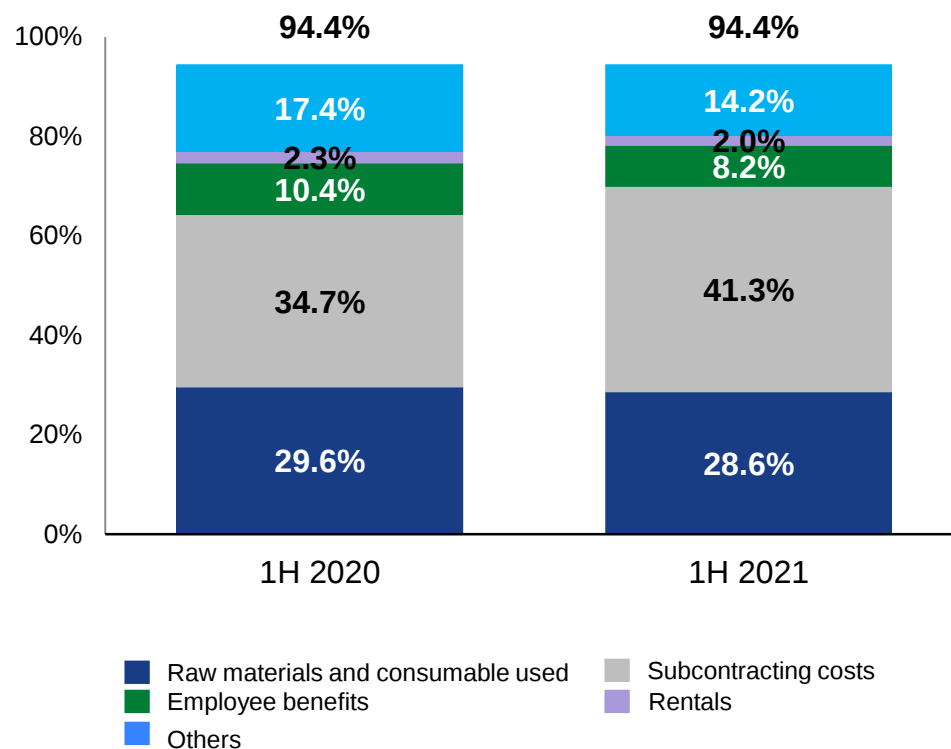
Cost Breakdown (1H 2021)

As % of operating costs¹



Cost Structure (1H 2021)

As % of sales



Note:

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

Infrastructure Construction - Business Performance

Completed projects with RMB 303,730 million of contract value

Key Projects



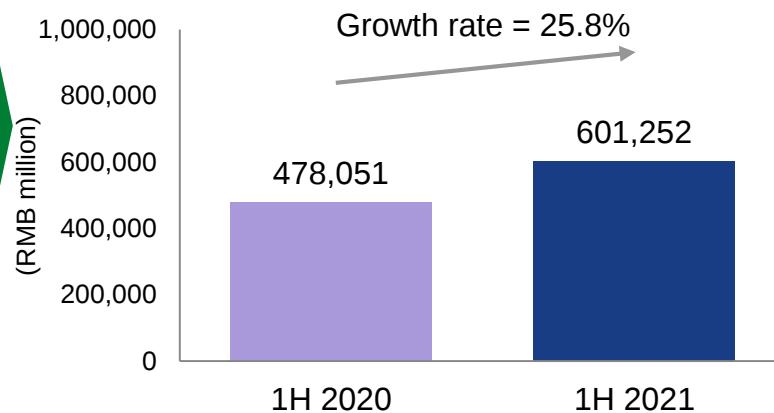
Operation Commencement of Hebei Section of Beijing-Xiong'an Expressway



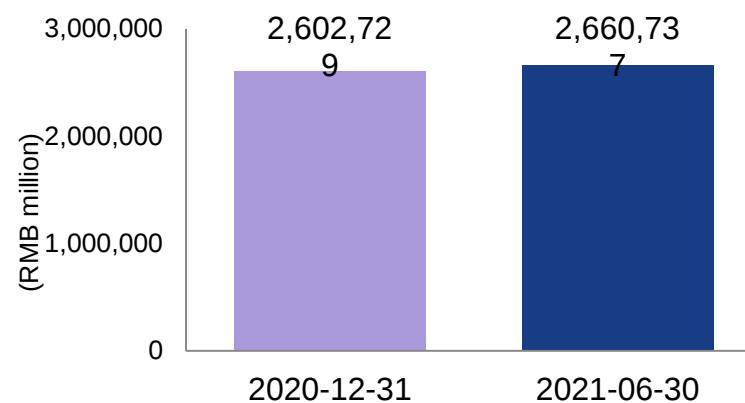
Chengdu Mengyang New Town Design Sketch

New Contracts and Backlog

New Contracts

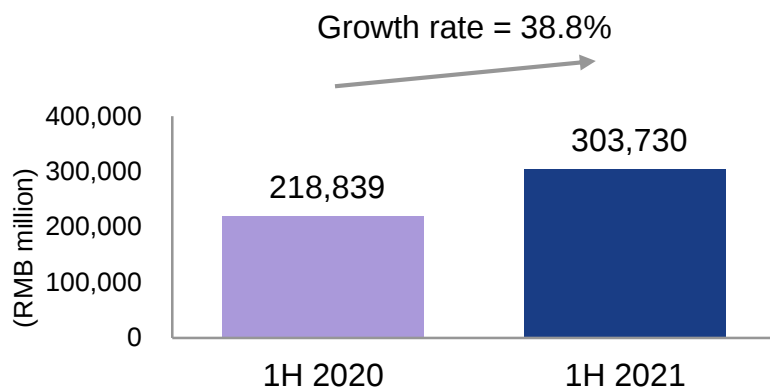


Backlog

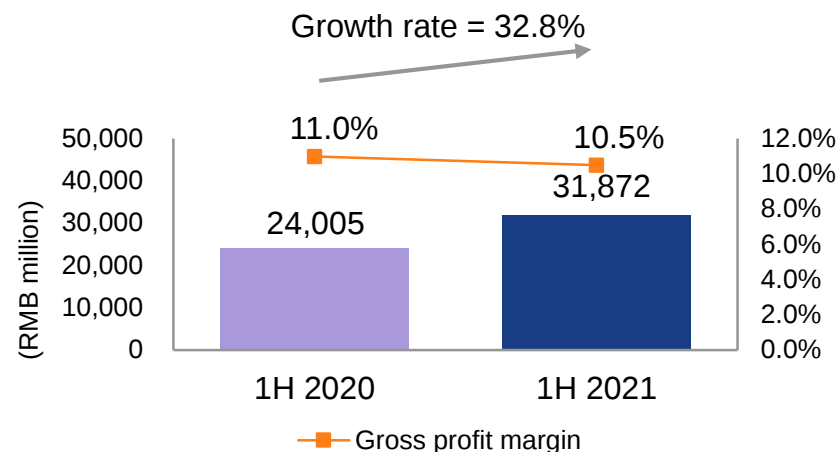


Infrastructure Construction - Financial Performance

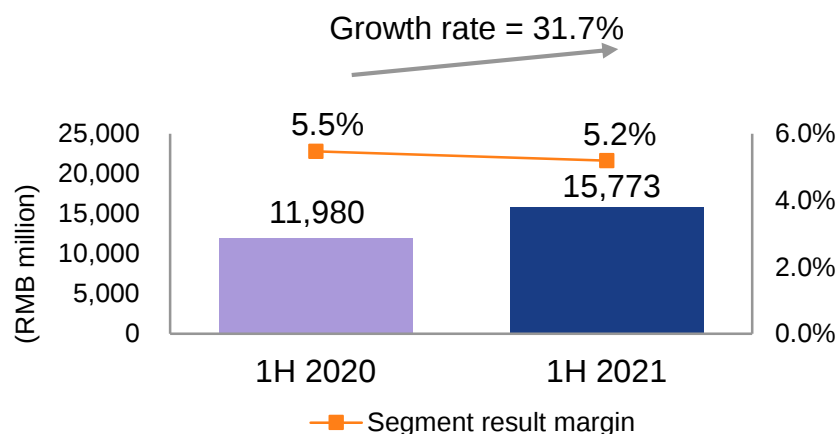
Revenue¹



Gross Profit¹



Segment Result^{1,2}



REMARKS

- ◆ The increase was mainly due to the increase of revenue generated from domestic road and urban construction projects, and the decrease of impact from Covid-19 in overseas markets which resulted in orderly resumption of work and production.
- ◆ Gross profit margin decreased to 10.5% primarily due to the increased proportion of revenue generated from housing construction projects, which have 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 + other income/ (expenses), net

Infrastructure Design - Business Performance

Completed projects with RMB20,897 million of contract value

Key Projects



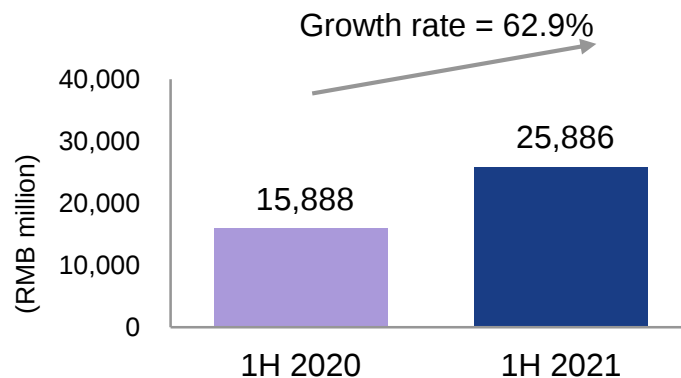
Guiyang - Huangping Expressway Baoshan Super Bridge



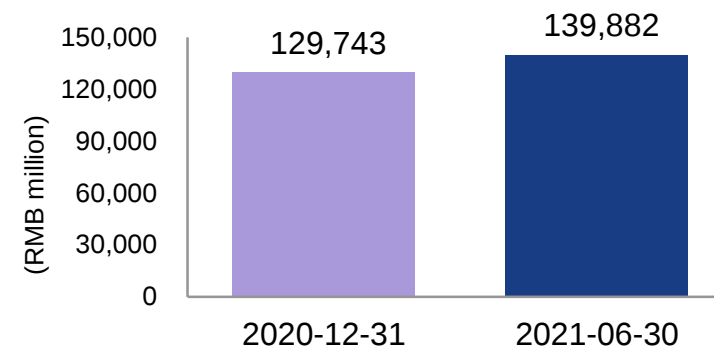
Waterway Engineering of New Bohe Port Area of Maoming Port, Guangdong Province

New Contracts and Backlog

New Contracts

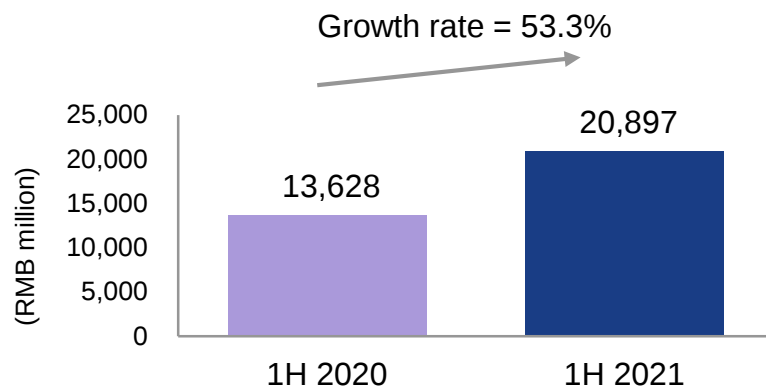


Backlog

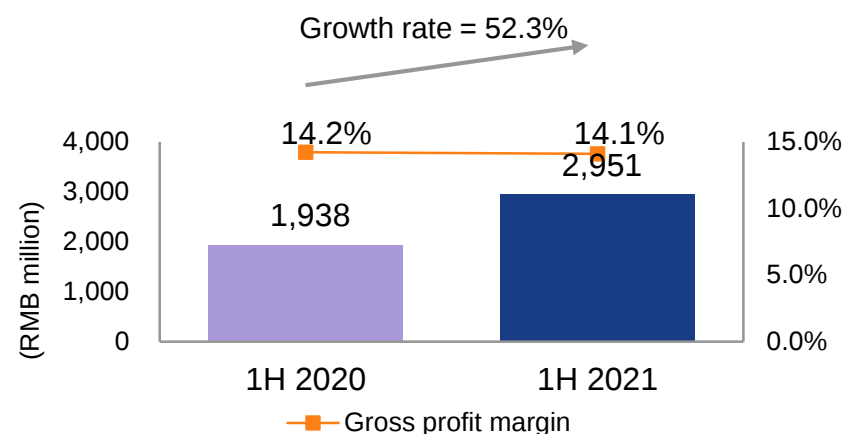


Infrastructure Design - Financial Performance

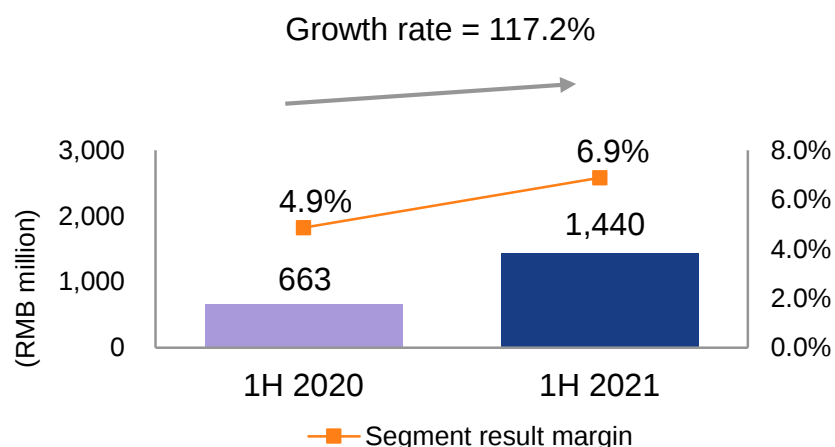
Revenue¹



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 RMB23,245 million of contract value

Key Projects



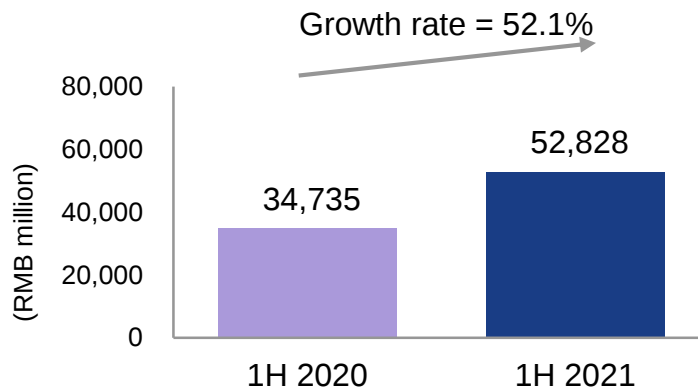
Shandong Rizhao Port Lanshan Harbour Deepwater Navigation Channel Phase II



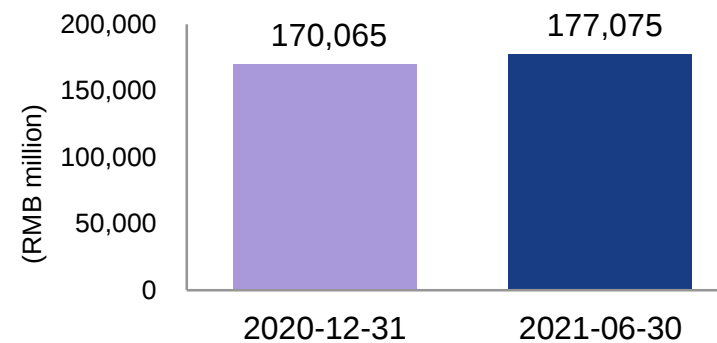
Hubei Yidu "Two Rivers and One Stream" Regional Treatment Project

New Contracts and Backlog

New Contracts

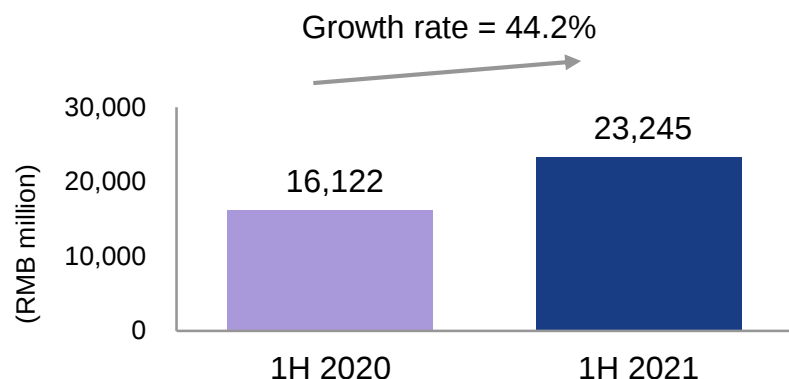


Backlog

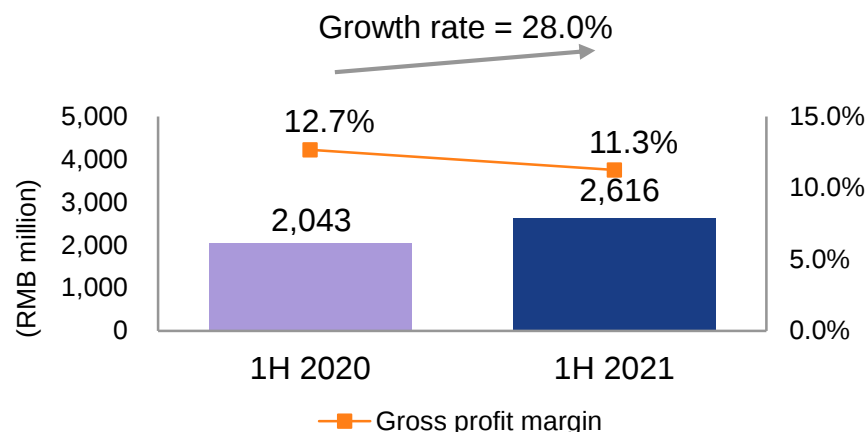


Dredging - Financial Performance

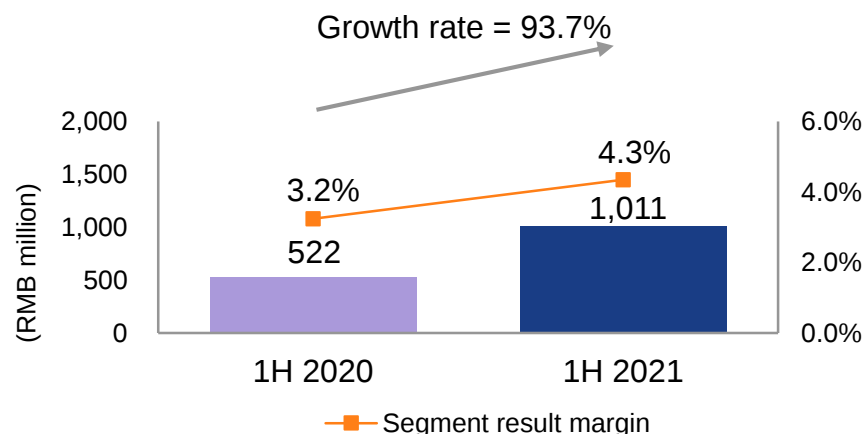
Revenue¹



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

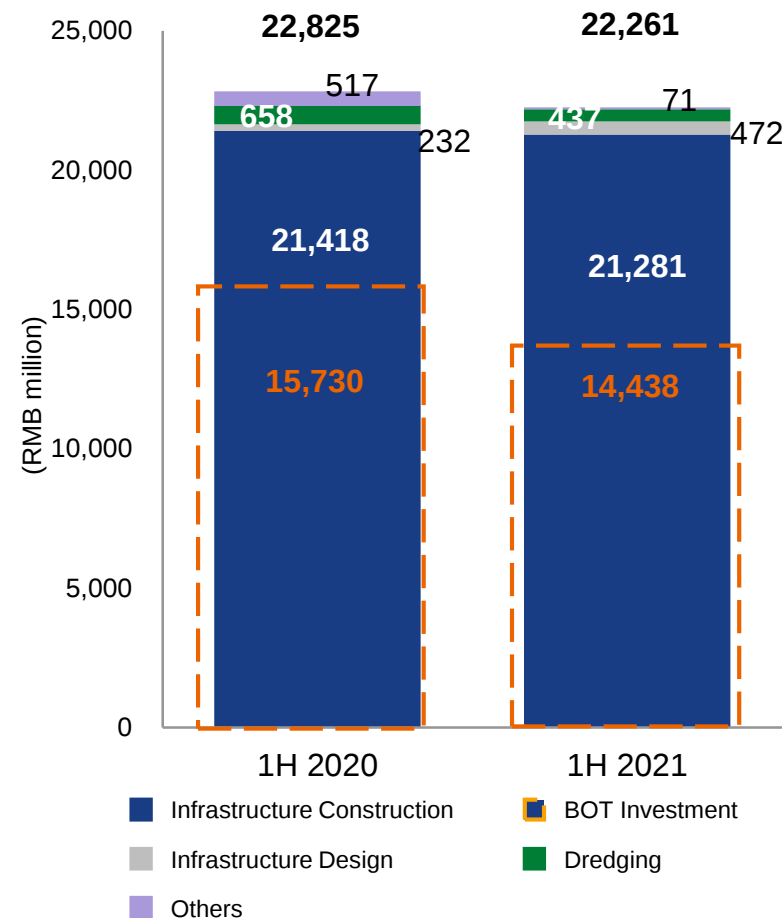
Infrastructure Construction Business	◆ Mainly used in investments in BOT projects, purchases of self-use property, machinery, equipment and vessels
Infrastructure Design Business	◆ Mainly used in the purchase of equipment
Dredging Business	◆ Mainly used in the purchase of new dredgers and upgrade of existing dredgers
Other Business	◆ Mainly used in purchase of self-use property

Note:

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

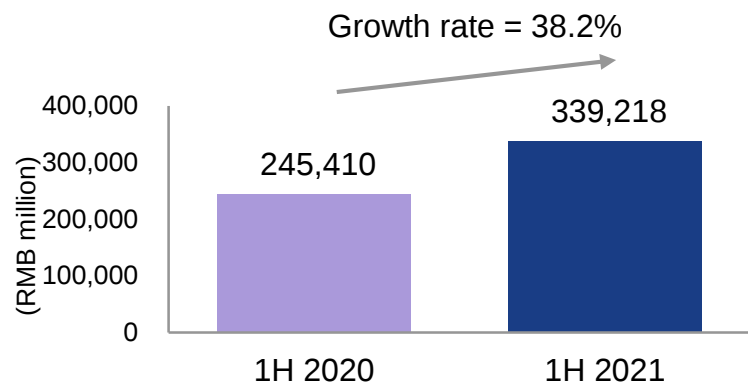
Capital Expenditure

Growth rate =(2.5%)

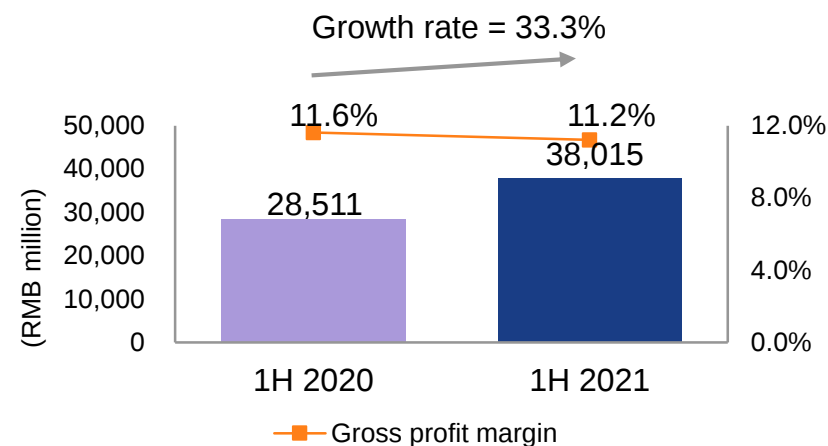


Summary of Income Statement Data

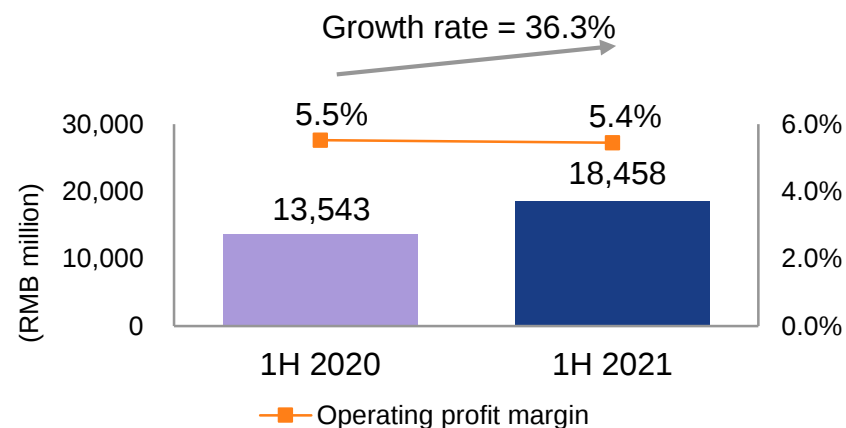
Revenue



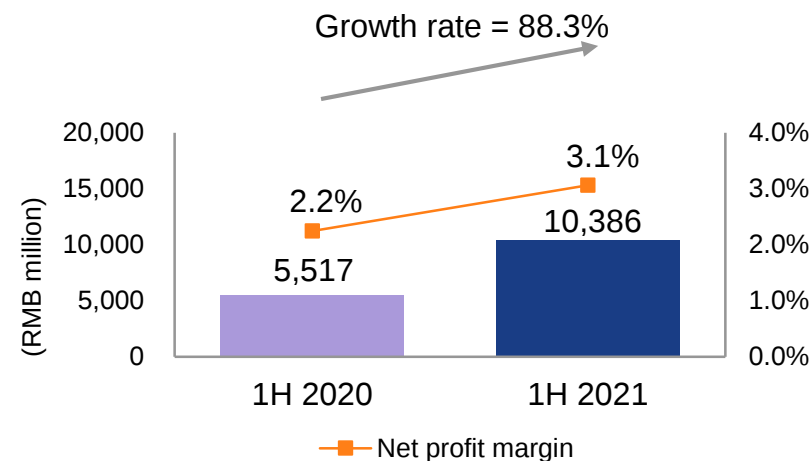
Gross Profit



Operating Profit



Profit attributable to Owners of the parent



Summary of Balance Sheet Data

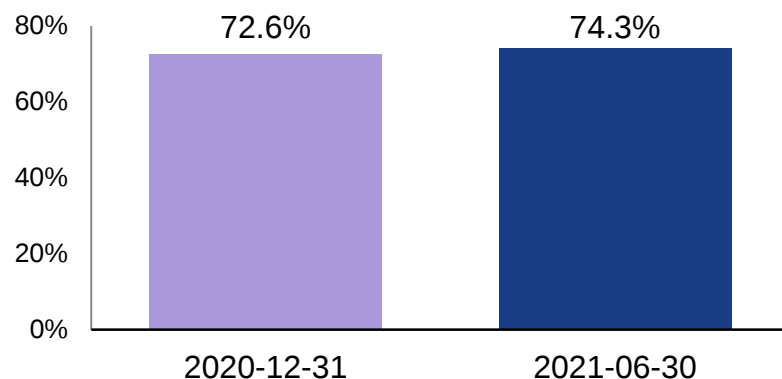
<i>RMB Million</i>	As at 2021-6-30	As at 2020-12-31	Change
Non-current assets	790,117	719,672	9.8%
Property, plant and equipment	62,310	61,040	2.1%
Intangible assets	231,558	229,482	0.9%
Equity investments designated at fair value through other comprehensive income	33,850	30,736	10.1%
Investments in joint ventures and associates	76,012	67,602	12.4%
Contract assets, trade and other receivables	344,423	293,218	17.5%
Current assets	648,856	584,497	11.0%
Inventories	76,384	72,877	4.8%
Contract assets, trade and other receivables	439,210	382,802	14.7%
Cash and cash equivalents	123,234	119,511	3.1%
Total Asset	1,438,973	1,304,169	10.3%
Non-current liabilities	410,220	363,657	12.8%
Interest-bearing bank and other borrowings	362,504	322,888	12.3%
Current liabilities	658,917	582,708	13.1%
Trade and other payables	444,340	404,230	9.9%
Contract liabilities	75,144	88,558	(15.1%)
Interest-bearing bank and other borrowings	133,852	82,490	62.3%
Total liabilities	1,069,137	946,365	13.0%
Total equity	369,836	357,804	3.4%
	As at 2021-6-30	As at 2020-12-31	Change
Total Liabilities / Total Assets	74.3%	72.6%	1.7%
Net debt / Total Capital¹	50.2%	44.4%	5.8%

Notes:

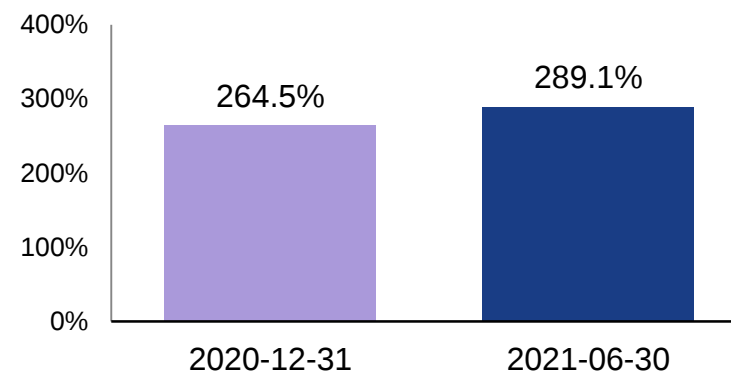
1 Net debt is total borrowings less cash and cash equivalents. Total capital is total equity plus net debt.

Summary of Balance Sheet Data

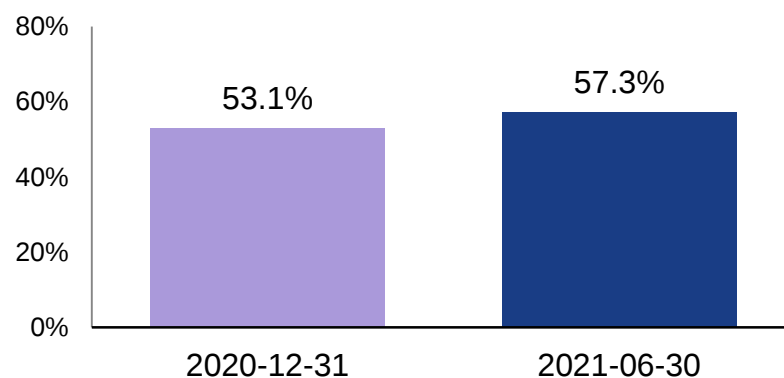
Total Liabilities/Total Assets



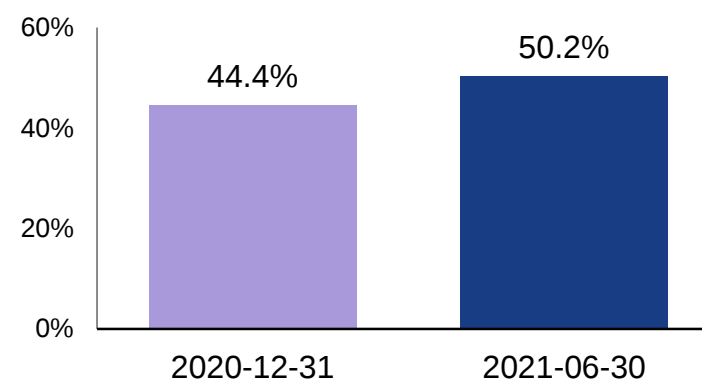
Total Liabilities/Net Assets



Total Debt/Total Capitalization¹



Net Debt/Total Capital²



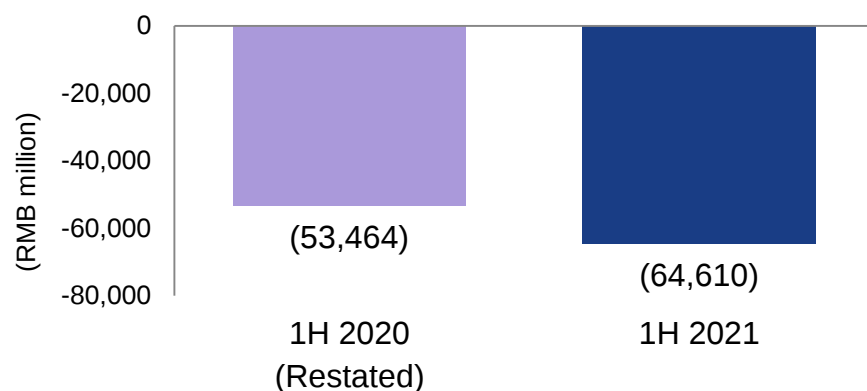
Notes:

1 Total capitalization is total equity plus total borrowings

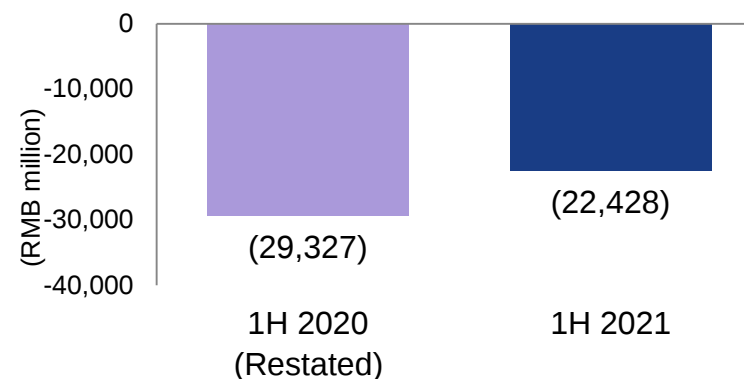
2 Net debt is total borrowings less cash and cash equivalents. Total capital is total equity plus net debt.

Summary of Cash Flow Statement Data

Cash Flow from Operating Activities

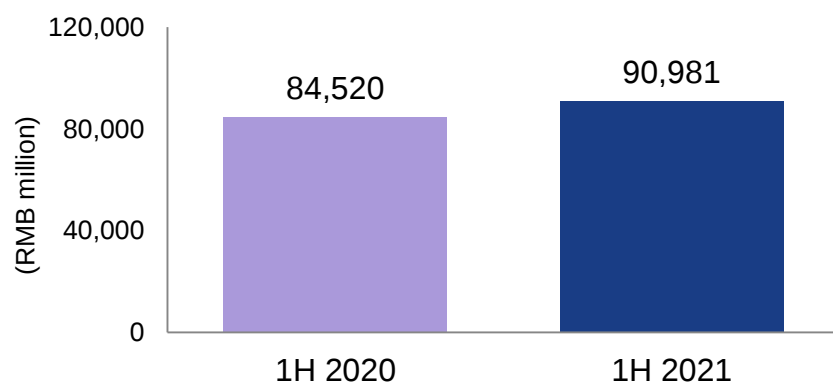


Cash Flow from Investing Activities



REMARKS

Cash Flow from Financing Activities



- ♦ To provide reliable and more relevant information on cash flows in the financial statements, the Group has voluntarily changed the accounting policies of cash flows classification for service concession arrangements under the financial asset model. After the voluntary changes in accounting policy, both the cash outflows during construction phase and the cash inflows during the operating phase were classified as cash flows in operating activities. Comparative information were restated retrospectively.
- ♦ The increase of 20.8% of cash outflow was primarily attributable to the increased amount of contract assets, trade and other receivables.
- ♦ The decrease of 23.5% of cash outflow was primarily attributable to the decrease in expenditure from purchases of BOT project, property, plant and equipment, and the maturity of certificate of deposit.
- ♦ The increase of 7.6% of cash inflow was primarily attributable to the proceeds from bank and other borrowings.

Development Outline for “14th Five -Year Plan” Period

Vision

“Technology” Enterprise

- ❑ Meet “Five Orientations” requirements.
- ❑ Focus on key responsibilities, core businesses, key technologies and “stranglehold” fields.
- ❑ Lead by “Two Profits & Four Rates” Performance Evaluation.
- ❑ Achieve a growth of R&D input higher than the corporate development in the “14th Five-Plan” Period.
- ❑ Significantly improve the contribution of sci-tech innovation compared to the “13th Five-Plan” Period.

“Management” Enterprise

- ❑ Problem-solving orientation.
- ❑ Strengthen the headquarters, refine the regions, advance the project delicacy management.
- ❑ Asset management to capital management, extensive management to lean management, management by administrative orders to efficient and well-ordered modern governance, from project, talent and technology export to management model and standard export.

“Quality” Enterprise

- ❑ Keep quality uppermost, prioritize efficiency.
- ❑ Focus on the performance of efficiency and operation indicators; emphasize the concentration in high end of the value chain; underline the resource allocation to the fields of high added value and high return; highlight the coordination of “scale, speed, quality, structure, efficiency and safety” and the matching of resources, elements, abilities and the environment.

“World-Class” Enterprise

- ❑ Strive for “Three Pioneers”.
- ❑ Achieve “Three Leaders”.
- ❑ Establish “Three Models”.

Thank You

Investor Relations Team

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