



## Who We Are

**China Communications Services Corporation Limited** (“China Comservice”) is a leading service provider in the informatization sector in the PRC that leverages its positioning as a “New Generation Integrated Smart Service Provider”, targets to become “the Main Force in Digital Infrastructure Construction, the Vanguard in Smart City Services, the Leading Enterprise in Industrial Digitalization Services, and a Trusted Expert in Smart Operation”(“1 Positioning, 4 Roles”) and provides integrated comprehensive smart solutions for the informatization and digitalization sectors. The Company is also the largest telecommunications infrastructure service group in China that offers a range of unique one-stop integrated services along our customers' value chain. Our major shareholders include the three telecommunications operators in the PRC (China Telecommunications Corporation, China Mobile Communications Group Co., Ltd. and China United Network Communications Group Company Limited), State Grid Information & Telecommunication Technology Group Co., Ltd. and China National Postal and Telecommunications Appliances Co., Ltd.

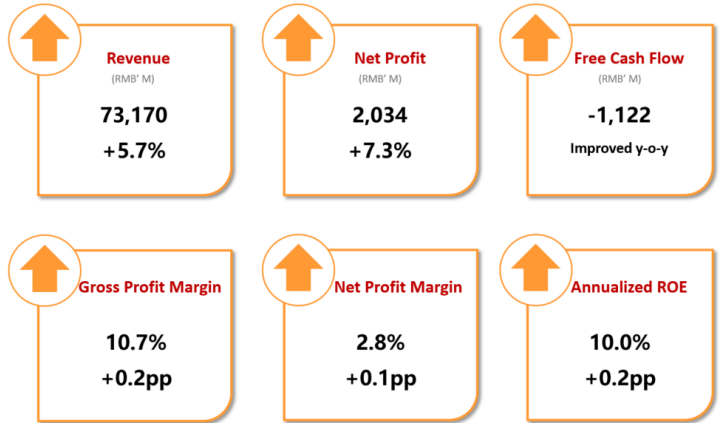
### Financial Performance Highlights

In the first half of 2023, the Group seized the opportunities such as **digital economy, digital information infrastructure construction and industrial digital transformation**. While committing to elevating quality and efficiency, we achieved **sustainable and high-quality operating results**.

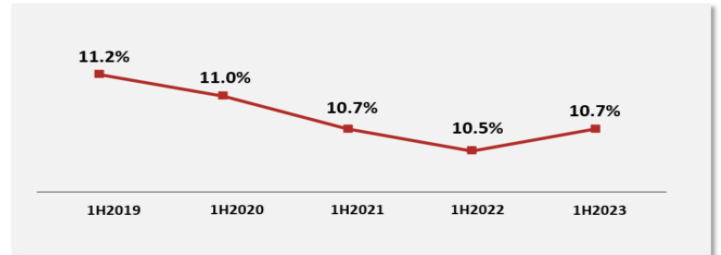
#### Effective Implementation of “Effective Improvement in Quality, Reasonable Growth in Quantity”

- ☑ **Steady growth** in revenue
- ☑ Net profit grew **faster** than revenue
- ☑ Gross profit margin **continued its upward trend**
- ☑ Net profit margin and ROE **enhanced**
- ☑ **Improvement** in free cash flow

### 1H2023 Major Financial Indicators



### Gross Profit Margin Continued the Stabilization and Recovery Trend in FY2022



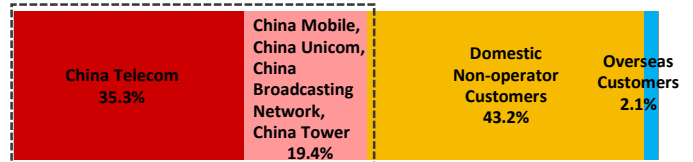
### 1H2023 Revenue Mix by Business



#### 3 Key Businesses

- |   |  |   |
|---|--|---|
| <p><b>Telecommunications Infrastructure(TIS) Services</b></p> <ul style="list-style-type: none"> <li>• Design</li> <li>• Construction</li> <li>• Supervision</li> </ul> | <p><b>Business Process Outsourcing(BPO) Services</b></p> <ul style="list-style-type: none"> <li>• Network Maintenance</li> <li>• Property Management</li> <li>• Supply Chain</li> <li>• Products Distribution</li> </ul> | <p><b>Applications, Content and Other(ACO) Services</b></p> <ul style="list-style-type: none"> <li>• System Integration</li> <li>• Software Development &amp; System Support</li> <li>• Value-added Services</li> </ul> |
|---|--|---|

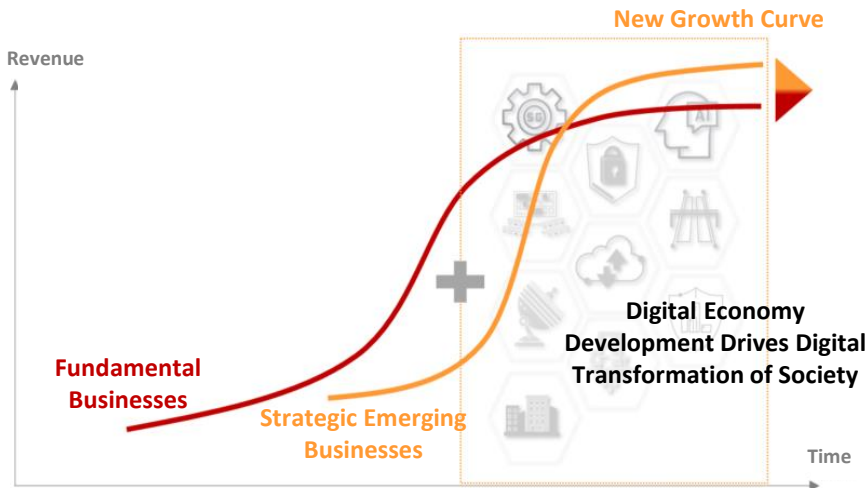
### 1H2023 Revenue Mix by Customer



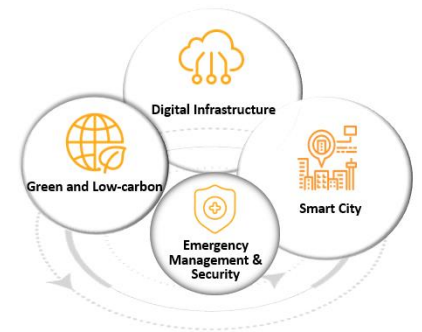
#### 3 Key Customer Groups

- |  |   |  |
|--|---|--|
| <p><b>Domestic Operator Customers</b></p> <ul style="list-style-type: none"> <li>• China Telecom</li> <li>• China Mobile</li> <li>• China Unicom</li> <li>• China Broadcasting Network</li> <li>• China Tower</li> </ul> | <p><b>Domestic Non-operator Customers</b></p> <ul style="list-style-type: none"> <li>• Government Agencies</li> <li>• Industrial Customers (Construction, Internet &amp; IT, Transportation, Electricity...)</li> <li>• Small and Medium Enterprises</li> </ul> | <p><b>Overseas Customers</b></p> <ul style="list-style-type: none"> <li>• The Middle East</li> <li>• Asia Pacific</li> <li>• Africa, etc.</li> </ul> |
|--|---|--|

# Seizing “Digital China” Opportunities to Craft New Growth Curve



➤ Penetrating Advantaged Areas, Fostering New Growth Drivers



➤ New Contract from Strategic Emerging Businesses Drove the Business Growth<sup>(1)</sup>

• Proportion of Total New Contracts

>27%

• Growth

>30%

(1) The above data are in relation to the first half of 2023 and the change is on a year-on-year basis

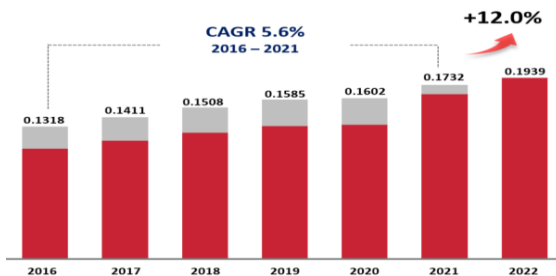
<b>Upgrade of Fundamental Businesses</b> Accelerate Digital Transformation, Improve Quality and Efficiency	<b>Deploy in Strategic Emerging Industries</b> Increase R&D Investment, Innovate to Drive Value
Design, construction, supervision, maintenance, supply chain, property management and other businesses related to traditional communications, municipal construction, electricity, etc.....	<ul style="list-style-type: none"> <li>• Digital Infrastructure</li> <li>• Smart City</li> <li>• .....</li> <li>• Green and Low-Carbon</li> <li>• Emergency Management and Security</li> </ul>

## Why Invest in Us

- ✓ **Solid Industry Leading Position:** Possess **over 70 years of experience** in communications industry, backed by three major telecom operators as shareholders, **a sizable SOE with revenue scale over 100 billion**; **With distinguished consultation and design capabilities and integrated capabilities** of general contracting and general integration, capable of undertaking sizable projects from government and enterprises
- ✓ **Blessing from National Policies:** Policies of **Digital China, East-To-West Computing Resources Transfer and Dual Carbon** bring continuous and huge development potential; **AI, industrial digitalization and green transformation** drive fast growth of emerging businesses
- ✓ **Profitability Inflection Point Emerged:** Indicators including gross profit margin, net profit margin and ROE **bottomed out and have been improving**; Rising profit coupled with good cash flow (free cash flow above net profit in recent years), strongly support **sustainable increase in dividend**
- ✓ **Room for Valuation Enhancement:** Proportion of high-value business gradually increases; Company valuation at trough in recent years

➤ **Proactively Reward Shareholders:** Continuous dividend payment with steady growth in dividend per share

Dividend per Share (RMB)



**Total Dividend Payout Ratio(%)**



## Share Information

**Stock Code:** 00552(Hong Kong Stock Exchange)

**Listing Date:** 8 December 2006

**IPO Price:** HK\$2.2 per share

**Total Issued Shares:** 6,926,018,400

- Domestic Shares: 4,534,598,160
- H Shares: 2,391,420,240

**Board Lot:** 2,000 shares

**As at 30 June 2023:**

- Closing Price: HK\$3.86 per share
- Market Capitalization: ~HK\$26.7 bn (~US\$3.4 bn)

**Financial Year End:** 31 December

**Auditor:** PricewaterhouseCoopers

## Awards and Rating

- 2023 FORTUNE China Listed Companies 500
- 2023 Forbes Global 2000
- 100 Most Competitive Software & IT Service Enterprises 2023



Hang Seng Corporate Sustainability Index Series Member 2023-2024

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