



中国通信服务  
CHINA COMSERVICE

CHINA COMMUNICATIONS SERVICES CORPORATION LIMITED

Stock Code : 00552.HK

# 2025 Interim Results

21 August 2025

## Management Present

**EXECUTIVE DIRECTOR,  
CHAIRMAN**

**MR. LUAN XIAOWEI**

**EXECUTIVE DIRECTOR,  
PRESIDENT**

**MR. CUI ZHANWEI**

**EXECUTIVE VICE PRESIDENT**

**MR. XU SHIGUANG**

**EXECUTIVE DIRECTOR,  
EXECUTIVE VICE PRESIDENT & CFO**

**MR. SHEN AQIANG**

**EXECUTIVE VICE PRESIDENT**

**MR. ZHANG HAO**

# Agenda

**01**



**Overview**



**02**



**Business  
Review**



**03**



**Financial  
Results**



01



Overview



02



Business  
Review



03



Financial  
Results

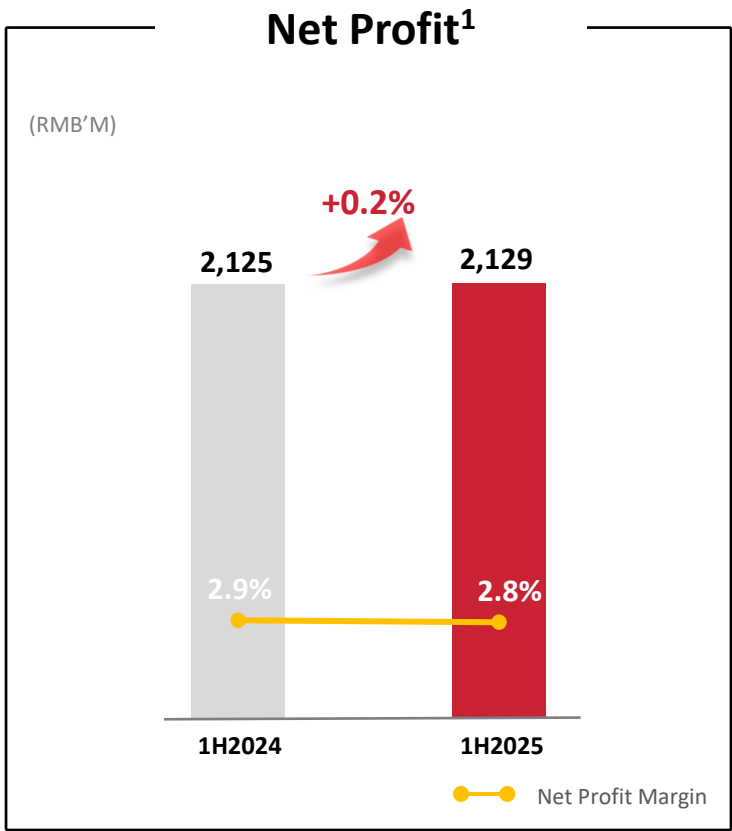
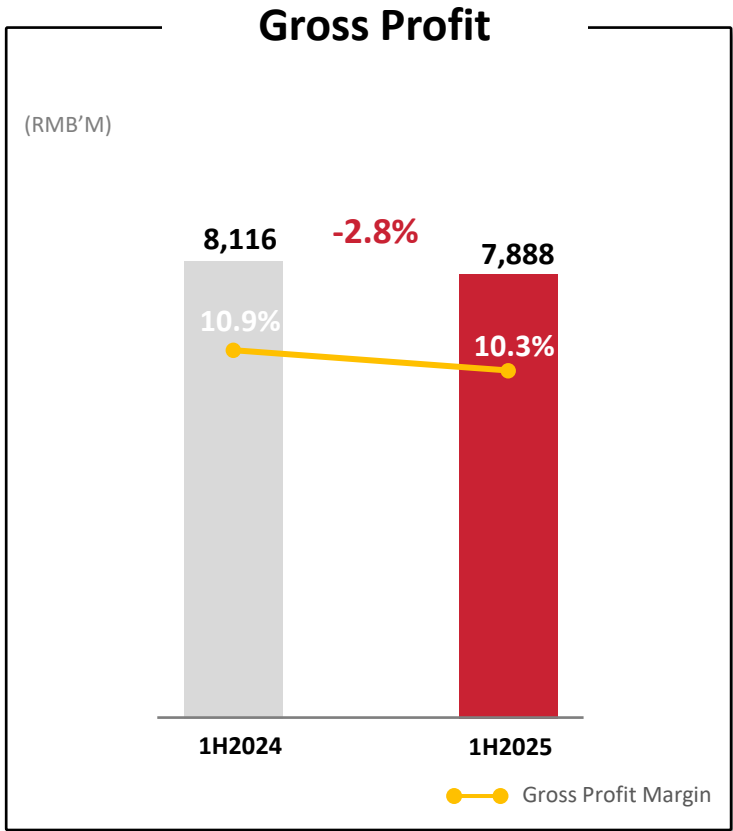
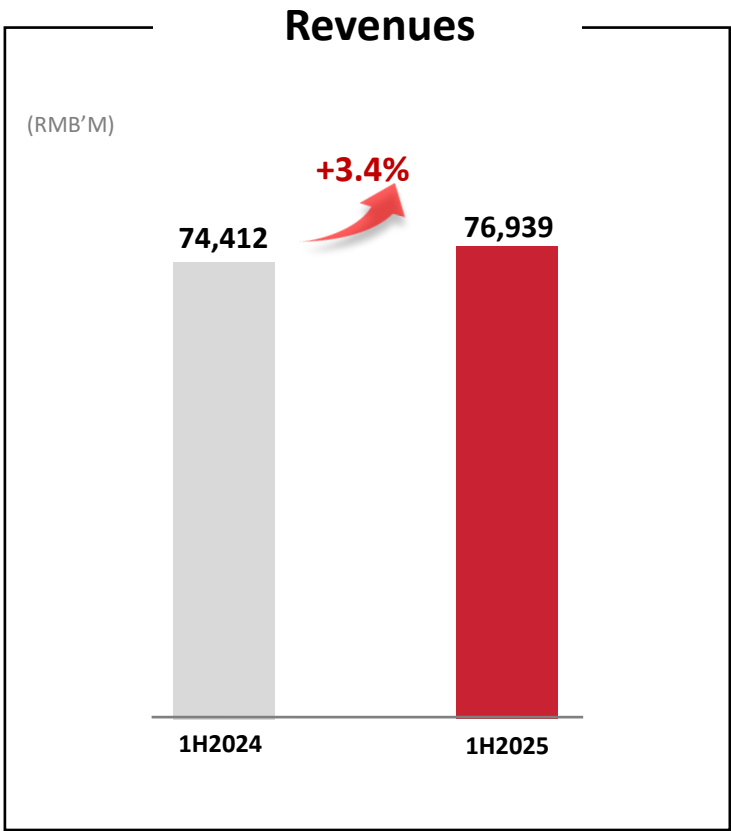


- ▶ **Demonstrating Resilience Amid Challenges and Realizing Steady Yet Improving Operating Results**
- ▶ **AI Showing Noticeable Spillover Effects and Driving the Company's Business Development**
- ▶ **Persisting in Technological Innovation-driven Development and Integrating AI Technology with Innovation**
- ▶ **Continuously Expanding Strategic Emerging Businesses to Strengthen Future Growth Momentum**
- ▶ **Proactively Responding to External Challenges and Seizing Vast Market Opportunities**



# Results Overview (1): Realized Steady yet Improving Operating Results

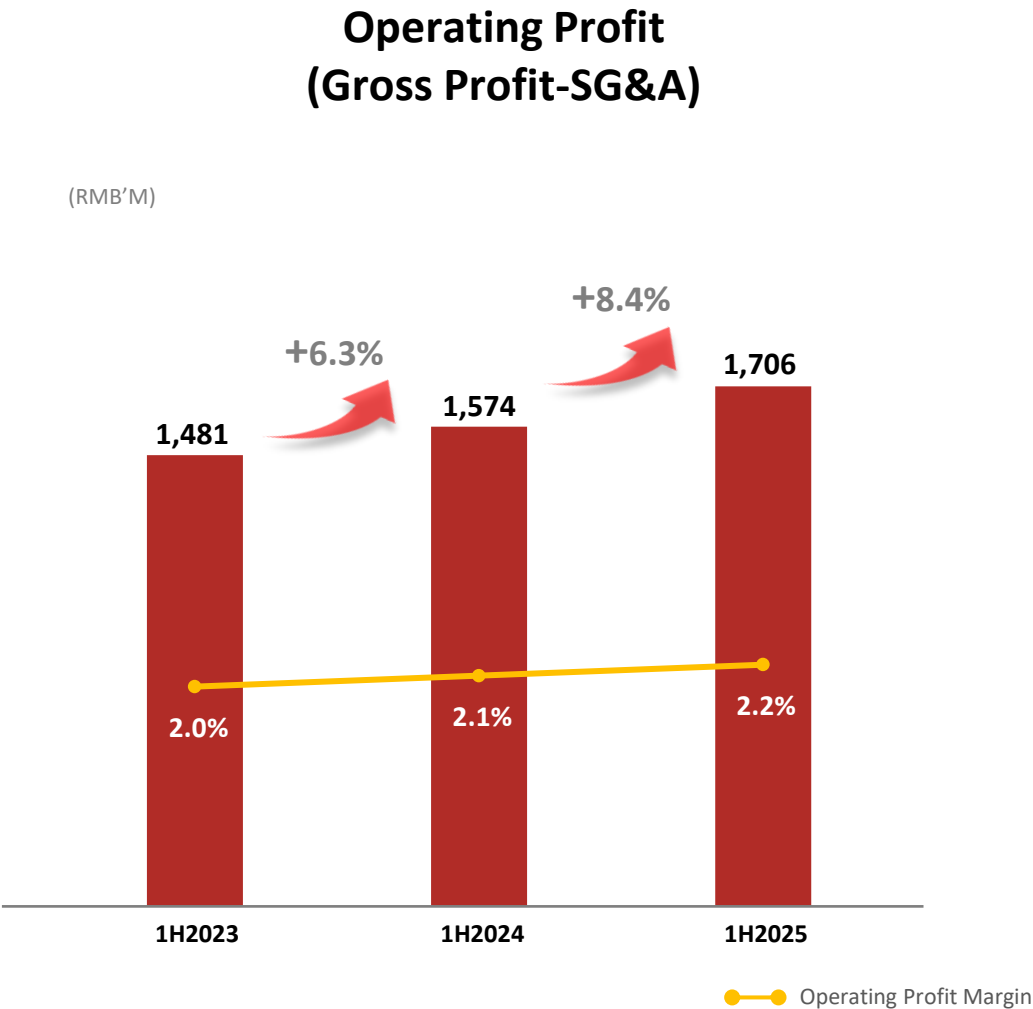
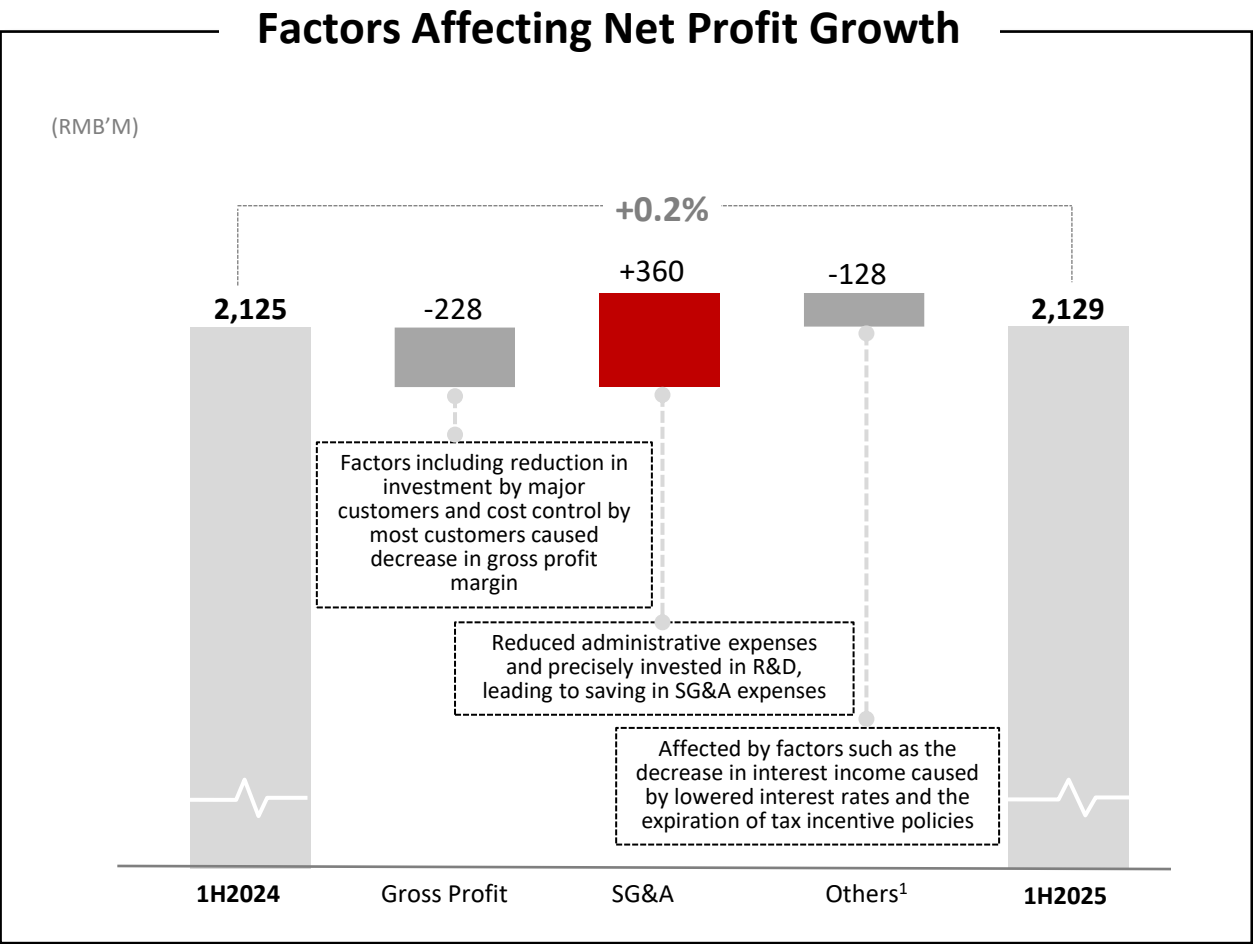
## Overcame External Challenges and Achieved Growth in Both Revenue and Net Profit



(1) In this material, net profit refers to profit attributable to equity shareholders of the Company.  
Note: unless specified, all amounts are in RMB in this material.



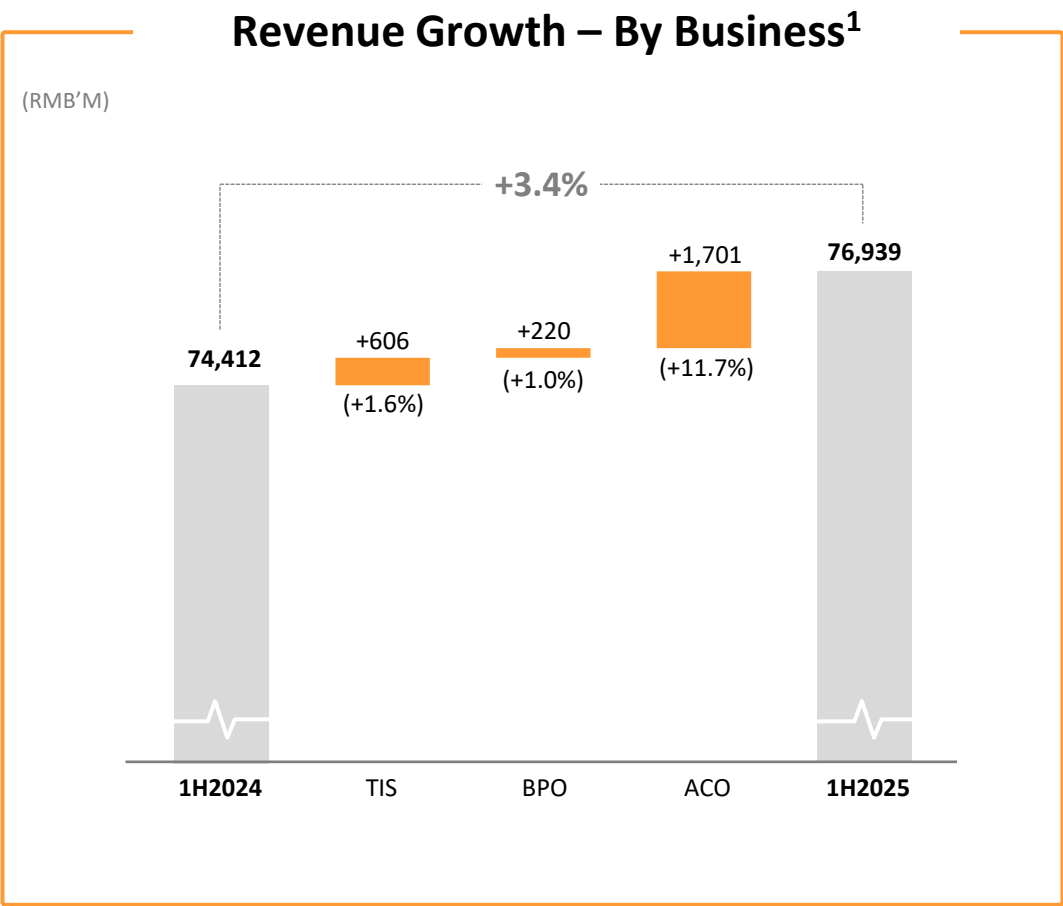
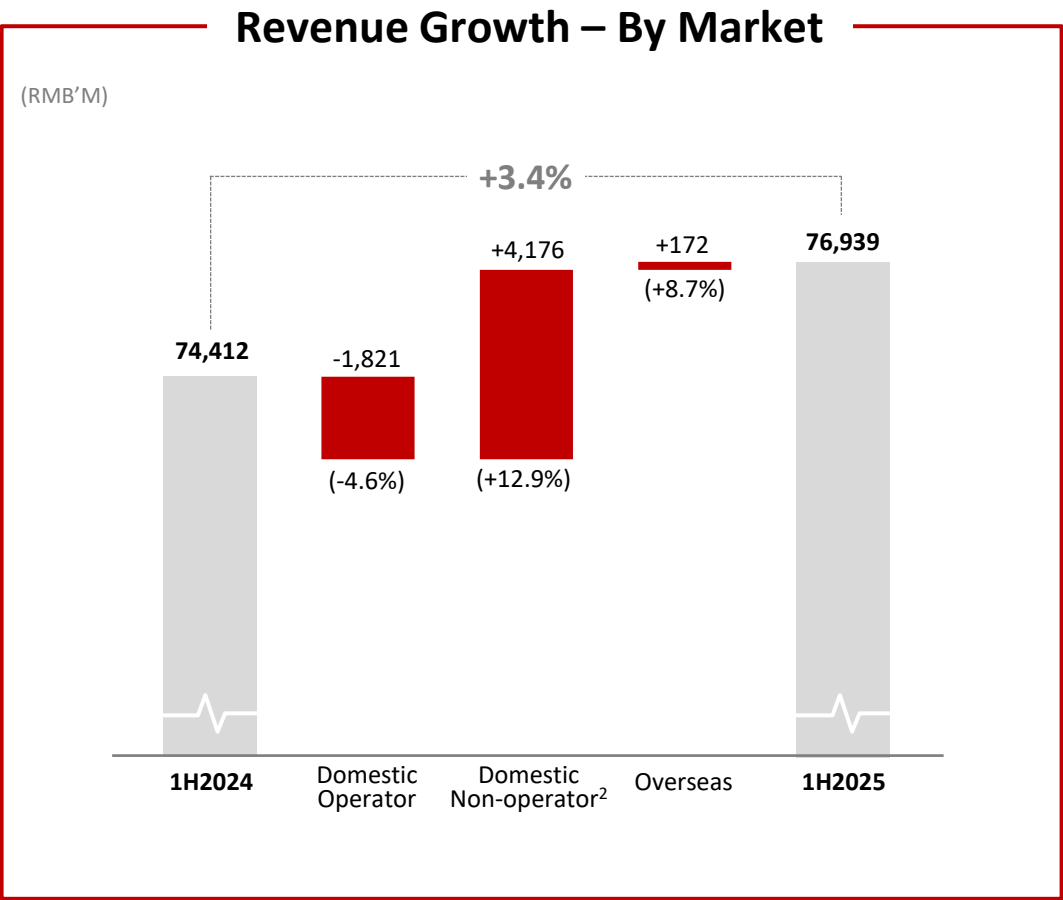
## Results Overview (2): Steady Growth in Operating Profit



(1) Others include other income, other expenses, finance costs, share of profits of associates and joint ventures, income tax, profit attributable to non-controlling interests

# Results Overview (3): the Continuous Development of Digital Economy, Coupled with Spillover Effects of AI, Boosted the Company's Business Growth.....

**Domestic Non-operator Market Anchored the Overall Development, Applications and Content (ACO) Business Has Been the Core Driver of Revenue Growth for Several Consecutive Years**



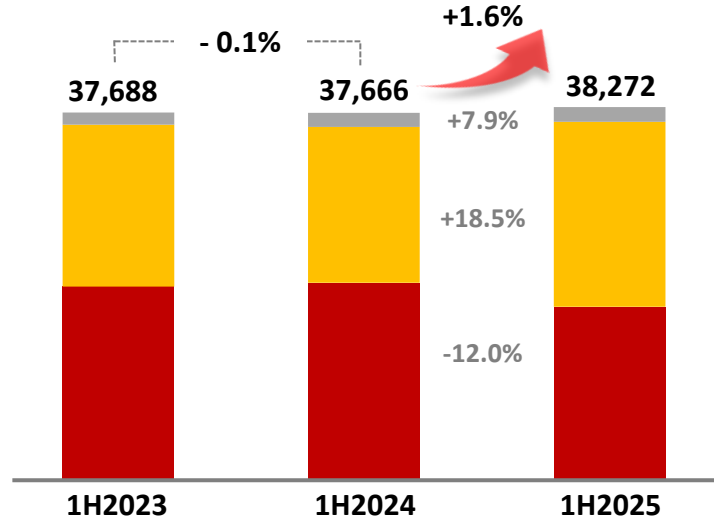
(1) In this material, TIS, BPO and ACO refer to Telecommunications Infrastructure Services, Business Process Outsourcing Services and Applications, Content and Other Services respectively. Please refer to p.18 for details.

(2) Domestic Non-operator refers to Domestic Non-telecom Operator Customers.

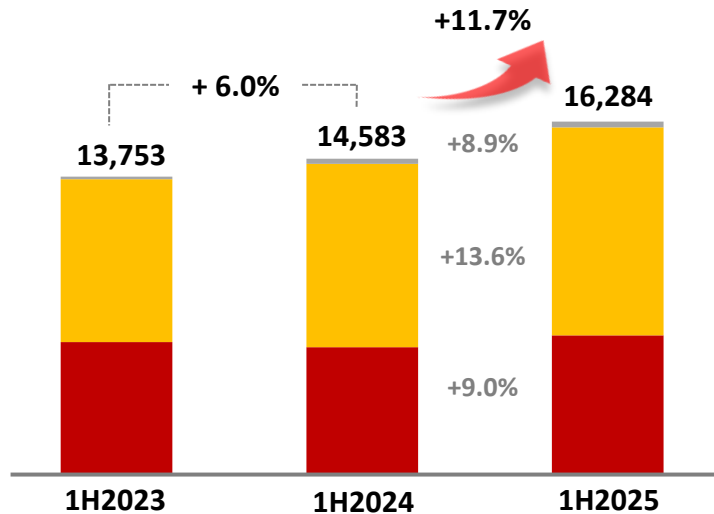


## .....Increasing Demand for Data Center Construction and Accelerating Digital Transformation of Industries Drove Business Growth

Revenue from  
TIS Business  
(RMB'M)



Revenue from  
ACO Business  
(RMB'M)



Overseas  
Domestic Non-operator  
Domestic Operator

- AI drove increasing demand for data centers and intelligent computing centers, which significantly boosted the domestic non-operator market and offset the decline in operators' CAPEX, leading to **stable growth of TIS Business**

Seizing Tremendous Opportunities Along  
the Industrial Chain Driven by  
Rapid Evolution of AI

- The accelerating adoption of AI applications and expediting digital transformation in thousands of industries resulted in **the sustained and relatively fast development of ACO business**, with its proportion to revenues reached a record high of over 21%

# Adhering to Technological Innovation to Drive High-quality Development

## Results



### Commercialization of Technological Innovation Products Showed Results

- New contracts of ACO business amounted to **RMB21.5 billion**, in which strategic emerging businesses of ACO up by over **11%**
- New contracts of strategic emerging businesses amounted to **over RMB42.0 billion**



### Continuously Incubating Technological Innovation Results

- Developed **nearly 100 technological innovation smart products** and **23 comprehensive solutions**



### Technological Innovation Capabilities Recognized by National and Industry Authorities

- **96** science and technology awards, **20** national association, provincial- and ministerial-level science and technology awards
- Accumulated **4,100+** authorized patents, **10,900+** software copyrights

### Empowering Transformation and Upgrading of Traditional Businesses



Smart IDC Comprehensive Solution



Smart Machine Room Solution



Photovoltaic Storage Cloud Green Energy Comprehensive Management Platform



Smart Supply Chain Solution

.....

### Developing Hardcore Applications in Strategic Emerging Industries



Digital Government Integrated Solution



Smart Emergency Management



Smart Sports



Smart Grain Storage Platform

.....

### Incubating Products in Emerging Frontier Fields



Blockchain Platform



AI Intelligent Cabin



Digital Intelligence AI Customer Service

.....



### Focus on Core Sectors to Invest in R&D

- **R&D Investment:** RMB2.2 billion
- **Smart City and AI:** RMB0.97 billion, increased by **12%**



### Cultivate Technological Innovation Expert Talent

- **Technological Innovation Talent:** over 10,000
- **Technological Innovation Committee:** 37 core + over 100 backbone members



### Collaborate for Win-win Technological Innovation Partnerships

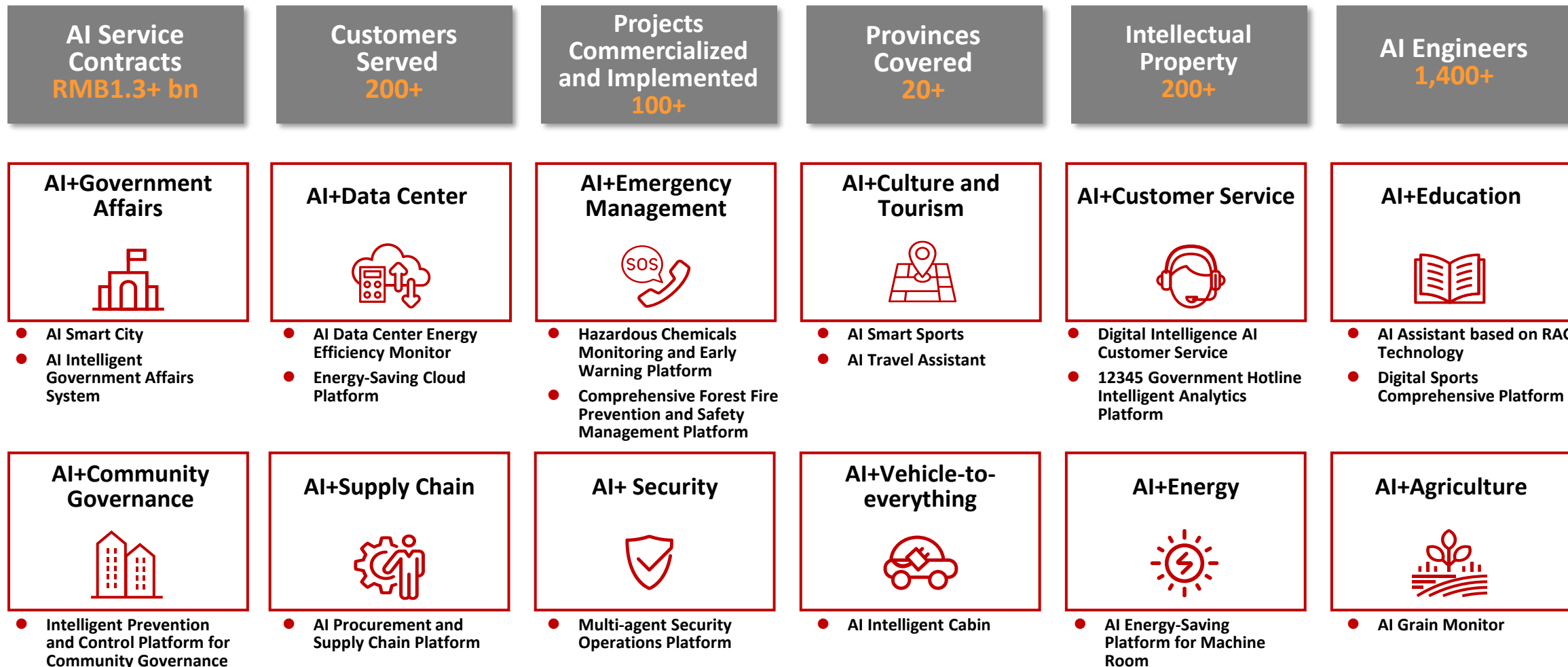
- **Academia-enterprise Collaboration:** collaborate with **21** academic institutions to carry out research studies on key topics
- **Enterprise Collaboration:** formed ecosystem with **30 enterprises**

## Resources

Note: The above data is data in the first half of 2025 or growth compared to the same period of last year.

# Deploying in New Sectors: Integrating AI Technology with Innovation to Expedite the Building of a Technology-oriented Enterprise with Digital Intelligence Capabilities

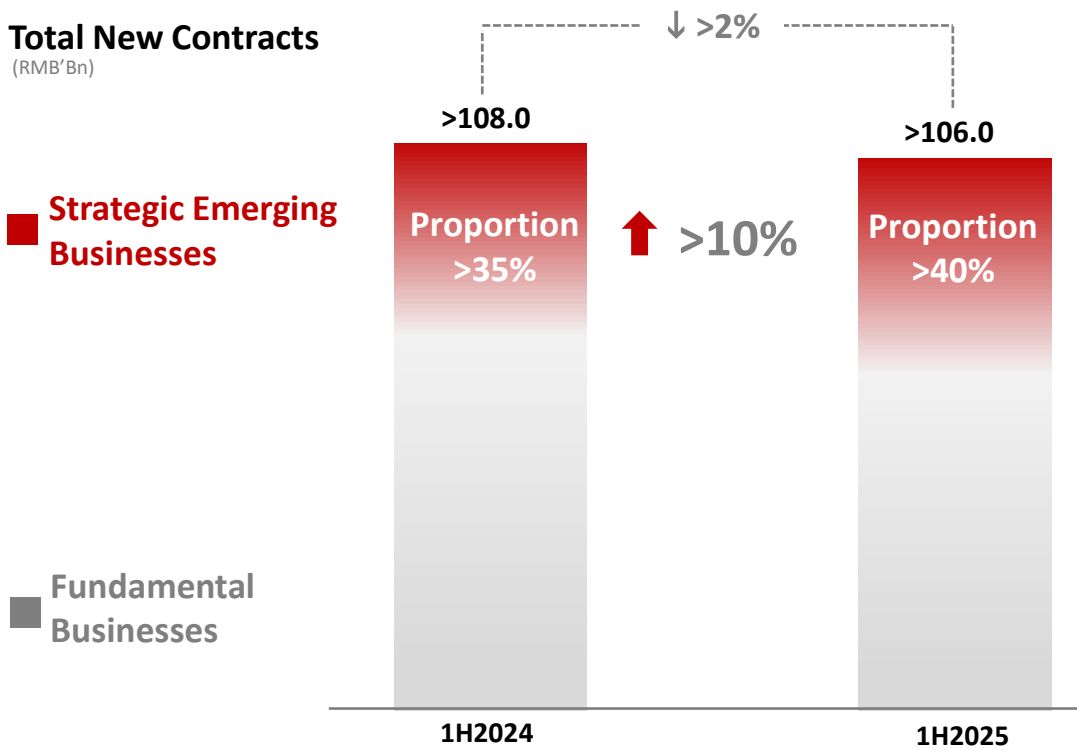
## ■ Developing AI Full-Stack Five Major Service Capabilities of “Industrial Policy Advisory, Full-Stack Infrastructure Construction and Operations, Data and Governance, Security, and Talent Development”



# Technological Innovation Strengthening High-quality Development Momentum

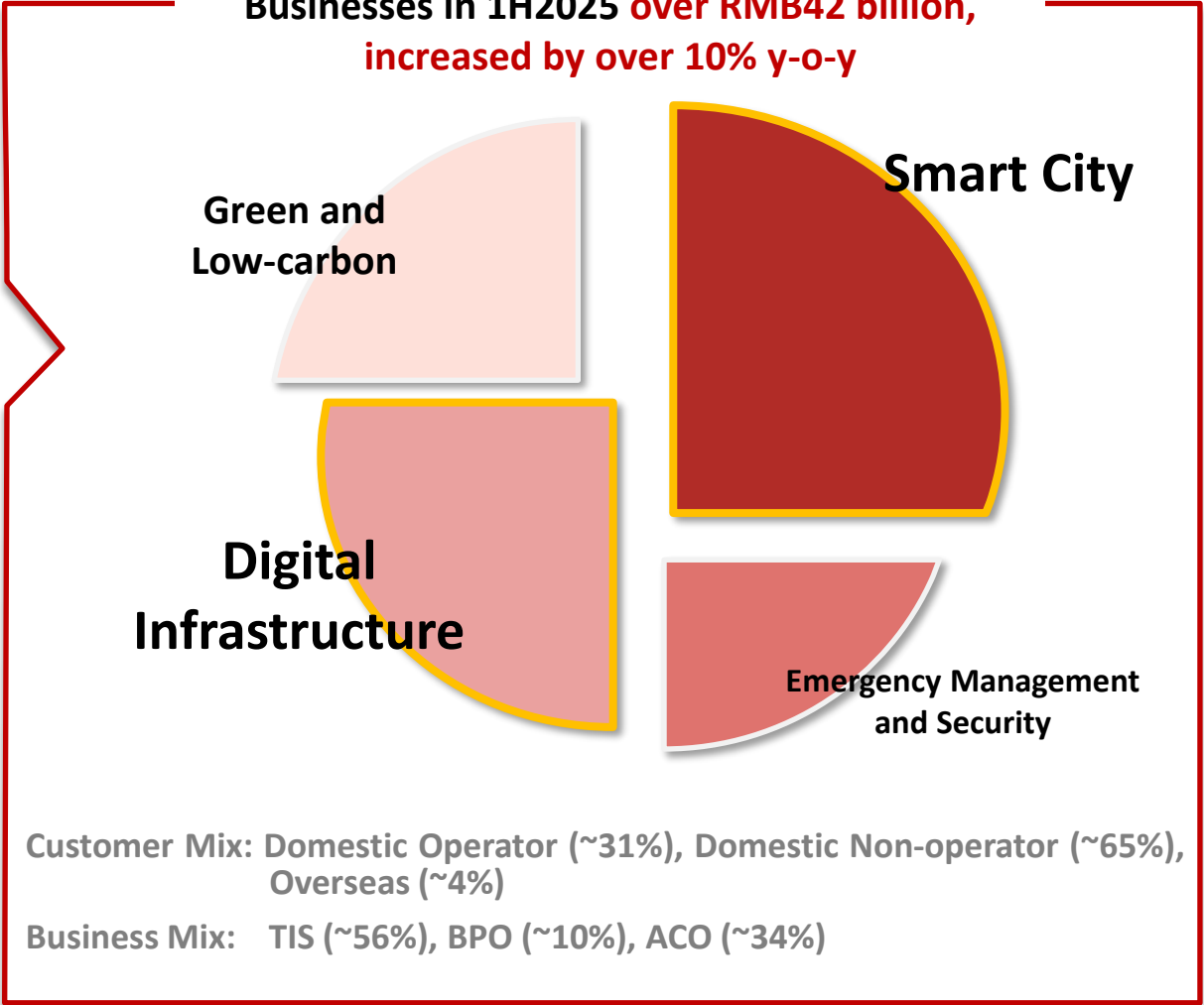
## Focus on Key Sectors to Accelerate the Formation of New Quality Productive Forces

Total New Contracts  
(RMB' Bn)



■ **Fundamental Businesses:** (1) engineering construction, supervision, design and other businesses related to traditional communications pipeline, civil construction, equipment installation, etc.; (2) supply chain business of traditional logistics and transportation; (3) traditional pipeline maintenance services, property management services, etc.

New Contracts of Strategic Emerging Businesses in 1H2025 over RMB42 billion, increased by over 10% y-o-y



Note: There may be some overlap in projects across the four sectors of strategic emerging businesses. To avoid double-counting, the overlapped projects were removed from the total contracts for strategic emerging businesses.

# Cultivating and Boosting New Growth Momentum, Optimizing and Strengthening Development in New Businesses (1)

## Digital Infrastructure



### Opportunities

- ▶ **AI Drives Development from General Data Centers to Intelligent Computing and Supercomputing Centers:**

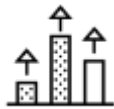
Computing power scale exceeding 300 EFLOPS in 2025, proportion of intelligent computing power reaching 35%<sup>1</sup>, balanced and coordinated development of computing power in Eastern and Western regions

- ▶ **Accelerated Integration of Cloud Computing and AI:**

China's cloud computing market is expected to exceed RMB2.1 trillion by 2027<sup>2</sup>, traditional general-purpose cloud computing is rapidly converging with AI to evolve to be AI-ready intelligent cloud

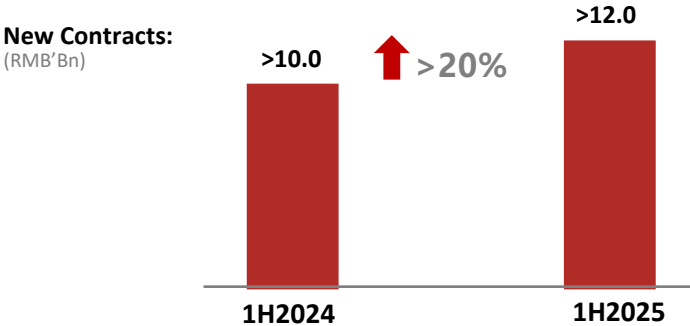
- ▶ **5G Network Deployment Enters the Second Phase:**

5G networks accelerate evolution to 5G-A<sup>3</sup>, telecom operators actively deploy in the 5G-A industrial chain



### Results

Seized the AI Booming Opportunity, Digital Infrastructure Business Continued to Grow



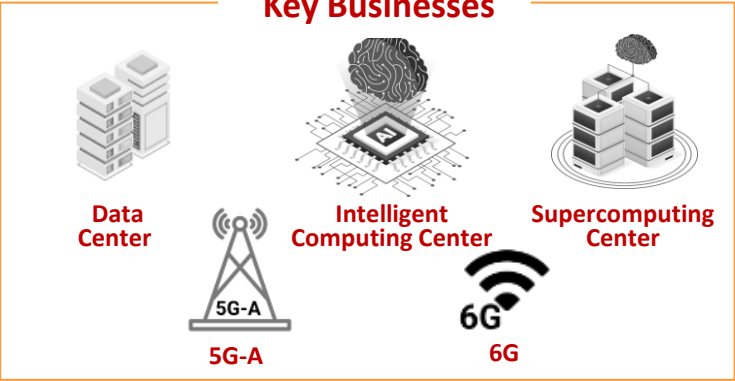
Key Fields	
Finance	Internet
<ul style="list-style-type: none"><li>• A FinTech Center Project of a Bank in Horing Park</li></ul>	<ul style="list-style-type: none"><li>• A National Intelligent Computing Center for a leading Internet company</li></ul>
Intelligent Computing Center	Digital Intelligence Infrastructure
<ul style="list-style-type: none"><li>• Network Intelligentization Engineering Project for an Intelligent Computing Center</li></ul>	<ul style="list-style-type: none"><li>• A Digital Intelligence New Infrastructure Construction Project in a city</li></ul>



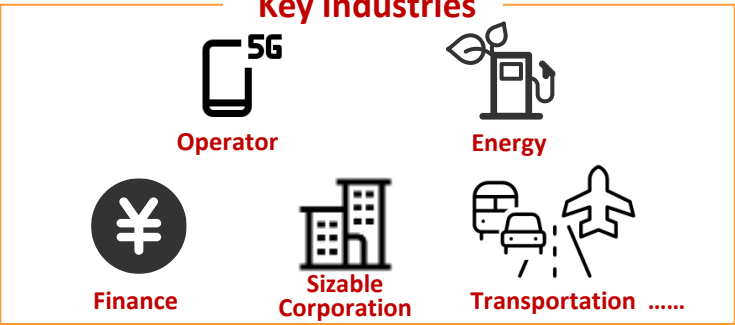
### Targets

Reinforcing our Position of National Main Force in Digital Infrastructure, Targeting to be a Domestic Leading and Globally Top-Tier Digital Infrastructure Pioneer

#### Key Businesses



#### Key Industries



(1) Source: Building Digital China Action Plan 2025 by National Data Administration  
(2) Source: Cloud Computing White Paper (2024) by China Academy of Information and Communications Technology  
(3) Source: Upgraded Plan for the "Sailing" Initiative to Scale up 5G Applications by 12 departments including Ministry of Industry and Information Technology

# Cultivating and Boosting New Growth Momentum, Optimizing and Strengthening Development in New Businesses (2)

## Smart City



### Opportunities

► **Central Urban Work Conference Set the Development Direction of Smart City:**

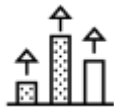
The Conference outlined **seven key priorities<sup>1</sup>** such as **building vibrant and innovative cities, livable and convenient cities, green and low-carbon and beautiful cities, safe and resilient cities**, unveiling the next wave of positive effects from policies and market opportunities in smart city

► **Promoting Urban Digital Transformation in All Fields<sup>2</sup>:**

By 2027, cultivate a number of livable, resilient, and smart cities with distinctive characteristics that are horizontally interconnected and vertically integrated

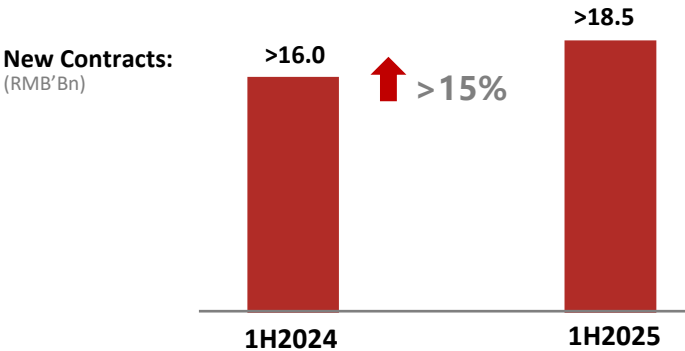
► **Urbanization with a Focus on County Seats Stimulates New Development Opportunities:**

**Construct new infrastructure, develop smart county seats<sup>3</sup>**, smart city accelerates the extension to mid- to small cities and county seats



### Results

**Smart City Business Development Sustained Strong Momentum**



**Key Fields**

Urban Renewal	County-level Smart City
<ul style="list-style-type: none"><li>Water Supply System Renovation and Intelligent Enhancement Project in a city</li></ul>	<ul style="list-style-type: none"><li>Gas Pipeline Network Facilities Renovation Project in a district</li></ul>
Resilient City	Urban Low-altitude
<ul style="list-style-type: none"><li>Urban Lifeline Safety Construction Project in a district</li></ul>	<ul style="list-style-type: none"><li>Ground-Air Integrated Intelligent Connected Transportation Project in a city</li></ul>



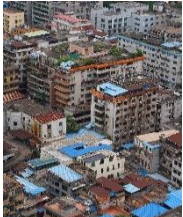
### Targets

**Targeting to be a Domestic Leading Enterprise in Smart City**

**Key Businesses**



Innovative City



Urban Renewal



Resilient City



County-level Digital Transformation



Civilized City



Livable City



Beautiful City

(1) Source: Central Urban Work Conference in July 2025 in Beijing

(2) Source: Guiding Opinions of 4 departments including the National Development and Reform Commission of *Deepening the Development of Smart Cities and Promoting the Citywide Digital Transformation*

(3) Source: *Opinions on Promoting Urbanization with a Focus on County Seats* Issued by the General Office of the Central Committee of the Communist Party of China and the General Office of the State Council

## Prospects (1) : Proactively Addressing Challenges, Seizing Market Opportunities

Adhere to the Strategic Positioning of “1 Positioning, 4 Roles<sup>1</sup>”,  
Proactively Adapt to Market Development Trend

Accelerate Corporate  
Transformation



Enhance Core  
Competitiveness of the  
Enterprise



Strengthen Risk  
Prevention and Control  
Capabilities



Continuously  
Promote High-quality  
Development



### Opportunities

- **More Favourable Policies:** issuance of ultra-long-term special treasury bonds and rolling out of new policies to drive infrastructure upgrades
- **Intelligentization Development Accelerating:** expediting AI infrastructure upgrade across industries, wider adoption of AI industrial applications unleashing opportunities for digital intelligence services, expanding market potential of operational support businesses
- **Enormous Potential from Green and Low-carbon Transformation:** green and low-carbon becoming an integral part of all industries, with substantial unmet demand for new energy and green solutions



### Challenges

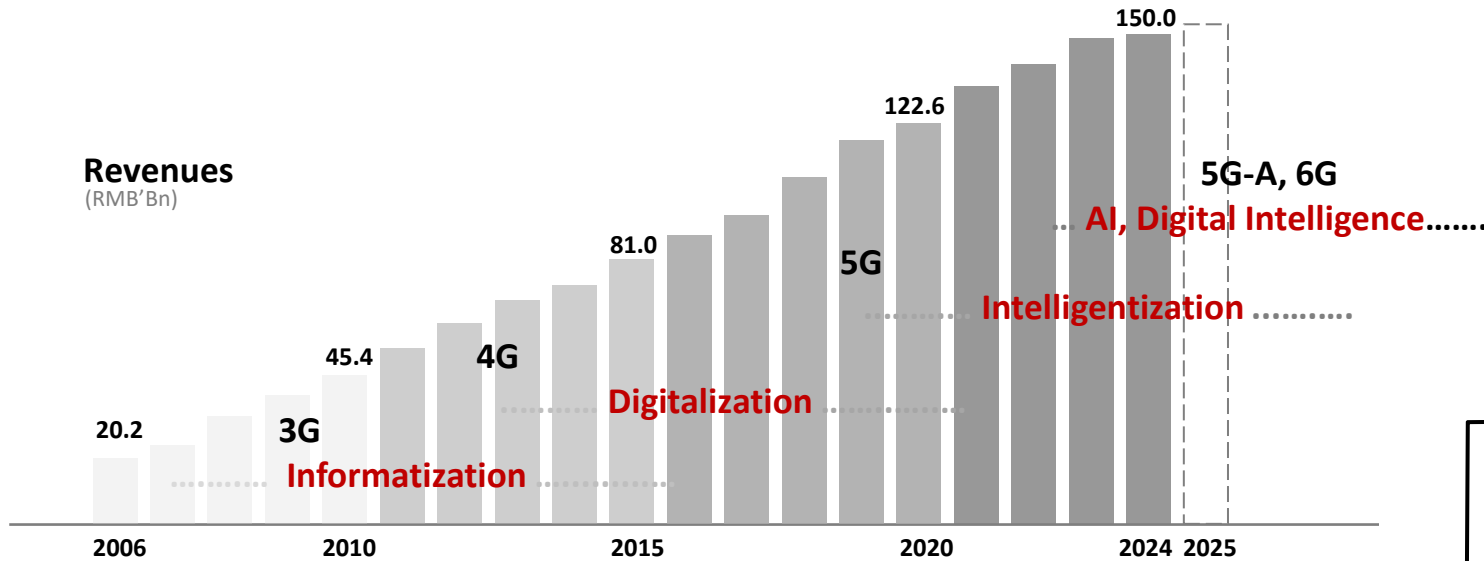
- **More Cautious Investment by Customers:** continuous decline in investment by major customers, tightened funding of non-operator customers, lengthening of project delivery and payment cycles
- **More Comprehensive Requirements by Customers:** require services spanning from planning, construction, operation to iteration, with greater emphasis on long-term stable operations and data value mining
- **More Diverse Competitive Landscape:** equipment suppliers, digital technology firms, traditional infrastructure construction companies, Internet cloud providers, and smart city service providers

(1) “1 Positioning, 4 Roles” refers to China Communications Services’ strategic positioning of “New Generation Integrated Smart Service Provider”, and the four roles of “Builder of Digital Infrastructure”, “Provider of Smart Products and Platforms”, “Provider of Industrial Digitalization Services”, and “Guard of Smart Operation”.



# Prospects (2): Optimizing Diversified Business Model and Broadening Diversified Customer Base to Drive Sustained Development

Since its Listing, by Actively Expanding into New Sectors, New Markets, and Continuously Promoting Technological Innovation, the Company's Revenue Source Has Become More Balanced and Diversified, Driving Sustained Revenue Growth



Listing of China Comservice

Upon Listing

● Business Side:

Infrastructure as Driver

● Market Side:

Proportion of revenue from customers other than operators: approx. 32%

2025

Infrastructure + Industrial Digitalization Business as Drivers

Proportion of revenue from customers other than operators: Over 50%

## Future Initiatives

### Focusing on New Areas

- AI leads the sustained demand of intelligent computing centers and the enormous potential for energy-saving retrofits and upgrades of IDC
- Technological innovation in **new-type power systems** and accelerated marketization of **power distribution network upgrade**, unleash multi-dimensional demand across engineering, maintenance, and informatization businesses
- **Green energy sector** transitions from large-scale new energy infrastructure construction to new operational models including the operation and maintenance of new energy facilities and virtual power plants.....

### Focusing on New Businesses

- Infrastructure + industrial digitalization + **CCS Smart Maintenance**
- Strengthening "recurrent" revenue source by providing operation and maintenance services covering **six fields<sup>1</sup>**, including **CT, IT, DT, OT, AT, QT**
- Promoting transformation from "project based" → "**recurrent**" operation with projects → **operation with customers**

### Exploring New Customers

- Domestic operator, domestic non-operator (**thousands of industries, tens of millions of SMEs**), overseas (**new regions**)

(1) CT (Communications Technology), IT (Information Technology), DT (Data Technology), OT (Operational Technology), AT (AI Technology), QT (Quantum Technology)

01



Overview



02



**Business  
Review**



03



Financial  
Results

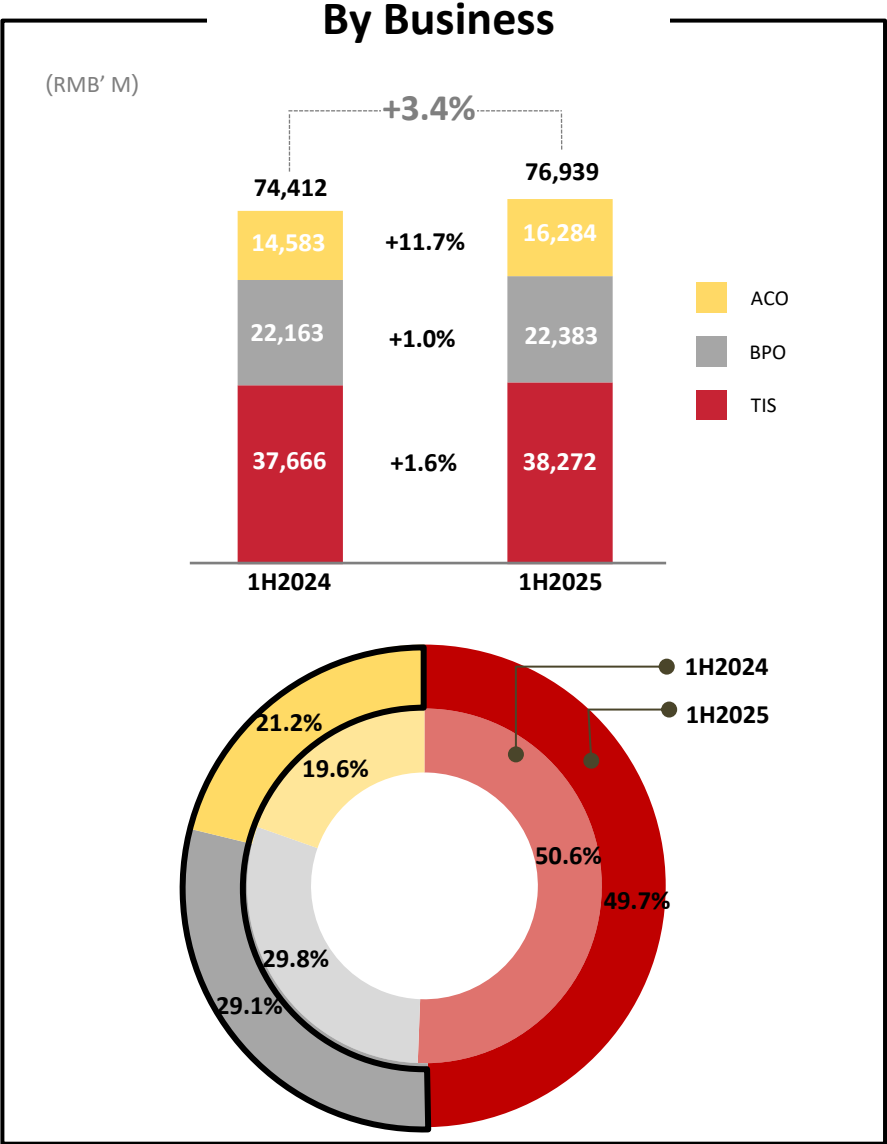


## Business Revenue Breakdown

(RMB'M)	1H2024	1H2025	Change %	% of Revenues
<b>TIS (Telecommunications Infrastructure Services)</b>				
Design	5,013	4,244	-15.3%	5.5%
Construction	30,577	31,921	4.4%	41.5%
Supervision	2,076	2,107	1.5%	2.7%
<b>Subtotal</b>	<b>37,666</b>	<b>38,272</b>	<b>1.6%</b>	<b>49.7%</b>
<b>BPO (Business Process Outsourcing Services)</b>				
Maintenance	9,359	9,627	2.9%	12.5%
Facilities Management	3,824	3,973	3.9%	5.2%
Supply Chain	7,800	7,138	-8.5%	9.3%
Products Distribution	1,180	1,645	39.4%	2.1%
<b>Subtotal</b>	<b>22,163</b>	<b>22,383</b>	<b>1.0%</b>	<b>29.1%</b>
<b>ACO (Applications, Content and Other Services)</b>				
System Integration	9,151	10,497	14.7%	13.6%
Software Development & System Support	2,911	3,364	15.6%	4.4%
Value-added Services	1,293	1,278	-1.2%	1.7%
Others	1,228	1,145	-6.8%	1.5%
<b>Subtotal</b>	<b>14,583</b>	<b>16,284</b>	<b>11.7%</b>	<b>21.2%</b>
<b>Revenues</b>	<b>74,412</b>	<b>76,939</b>	<b>3.4%</b>	<b>100%</b>
<b>In which: Service Revenue<sup>1</sup></b>	<b>72,855</b>	<b>74,981</b>	<b>2.9%</b>	<b>97.5%</b>

(1) Service Revenue = Revenues - Revenue from Products Distribution - Revenue from IT Equipment Supplies in System Integration

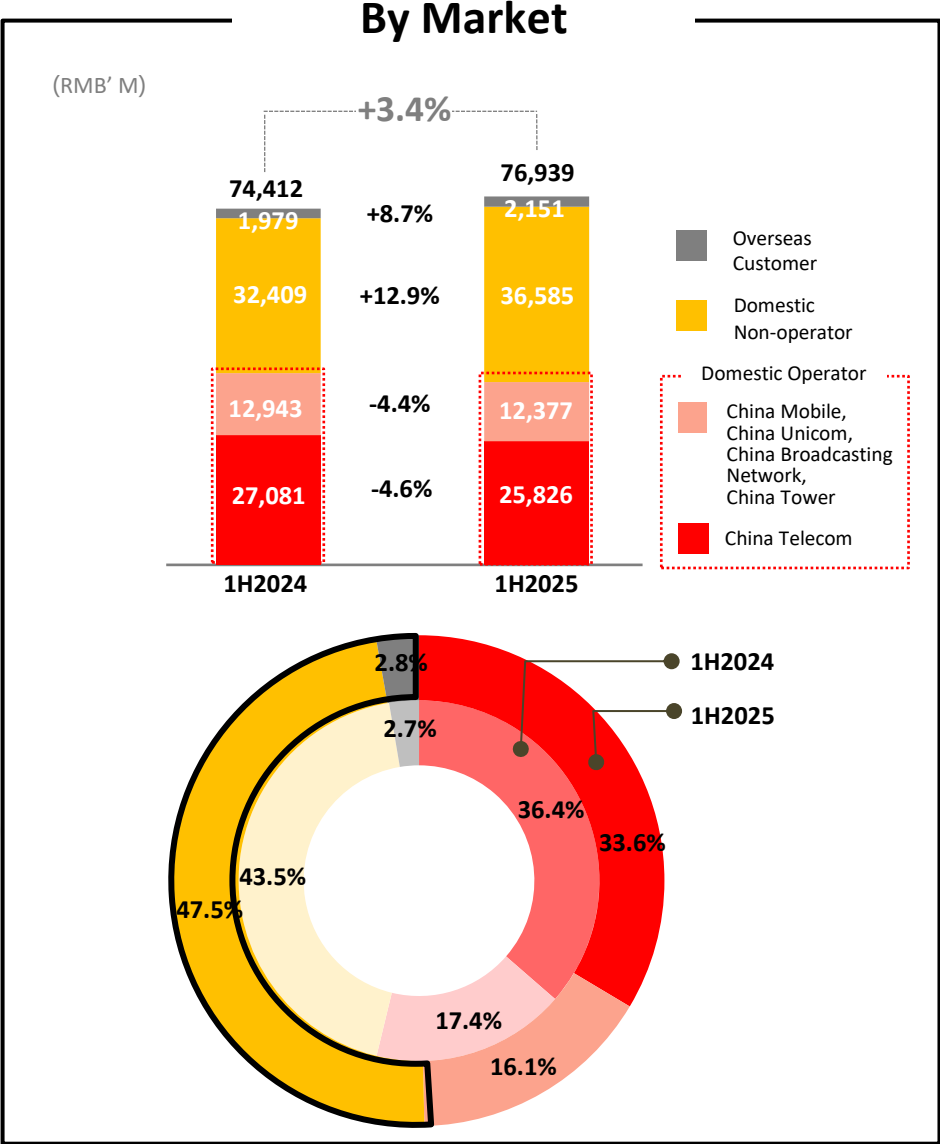
# Overall Performance by Business and Market



Revenue Structure  
Became More Diversified,  
Enhancing Development  
Resilience

Revenue from Non-TIS  
Businesses Accounted  
for over Half of  
Revenues

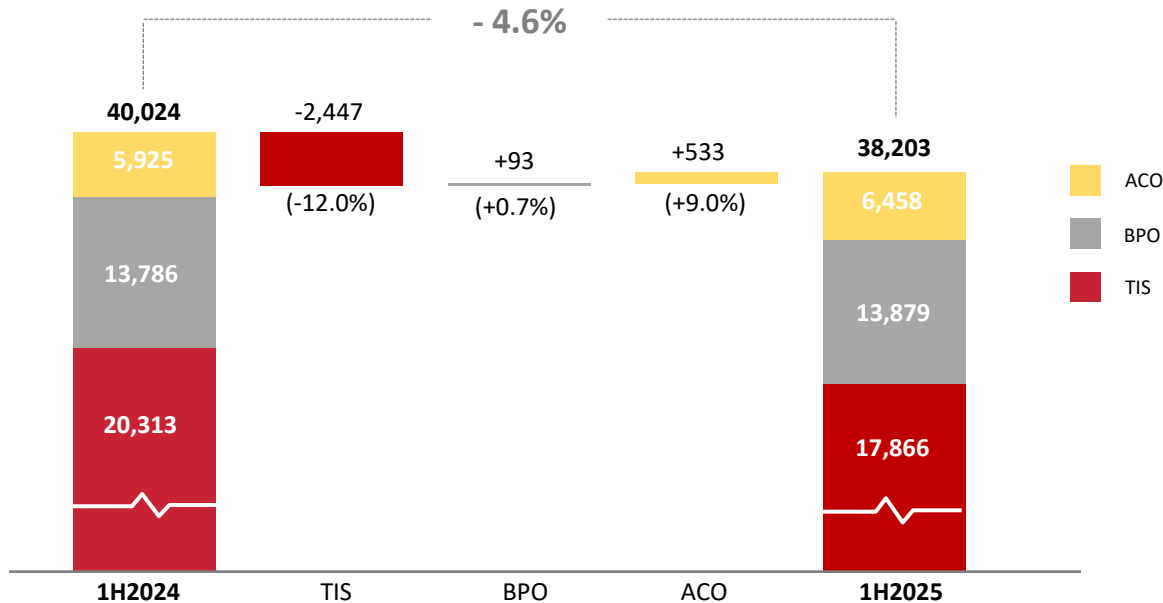
Revenue from Markets  
other than the Operator  
Market Accounted for  
over Half of  
Revenues for the First  
Time



# Domestic Operator Market: Adhered to the Development Strategy of “CAPEX + OPEX + Smart Applications” Strived to Increase Market Share to Proactively Navigate the Impact of Reduced CAPEX

## Revenue

(RMB'M)



## New Contracts

(RMB'Bn)



## Major Growth Drivers:

Smart City: + >20%

Emergency Management  
and Security: + >15%

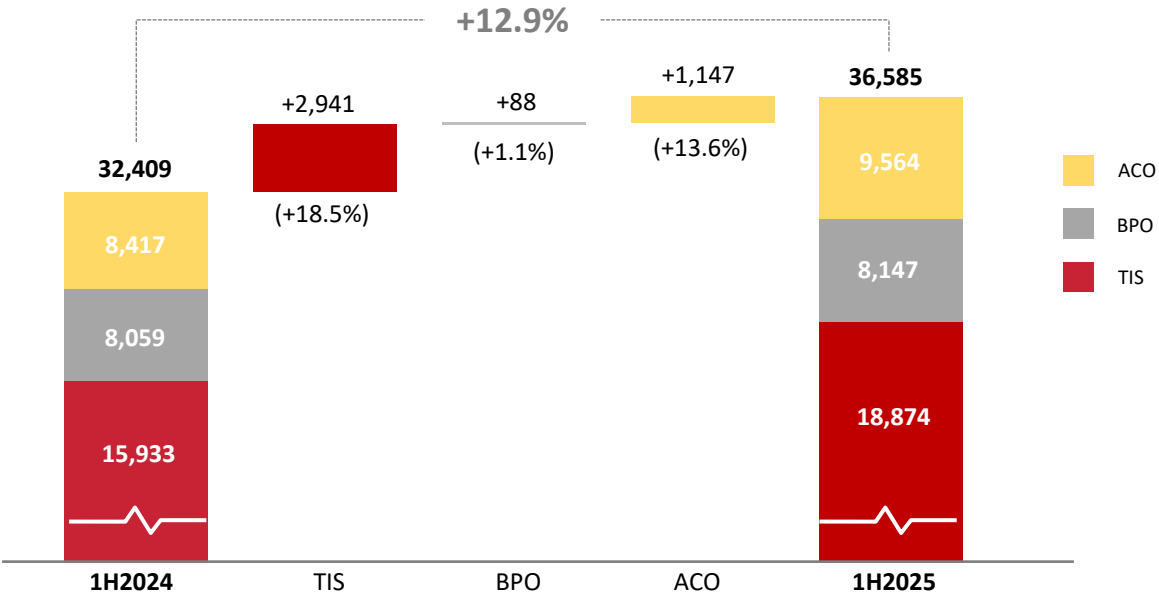
- Adhered to customer-oriented approach to serve customers' new demands arising from transformation
  - ▶ Seized opportunities such as computing power network construction and green development, **increased market share to alleviate the impact of CAPEX decline on TIS business**
  - ▶ Supported operators in reducing costs and improving efficiency and **expanded market share to achieve steady growth in BPO business**
  - ▶ Catered to operators' demand in developing industrial digitalization services and expanding government and enterprise market, **ACO business maintained relatively fast growth**
- By leveraging our advantage of differentiated capabilities and strengthening collaboration with operators, new contracts of smart city in strategic emerging businesses sustained relatively fast double-digit growth

# Domestic Non-Operator Market (1): Firmly Grasped New Business Opportunities Driven by AI Wave and National Policies

## Computing Power Infrastructure Construction and Empowerment of Industry Scenario Applications Drove Growth

### Revenue

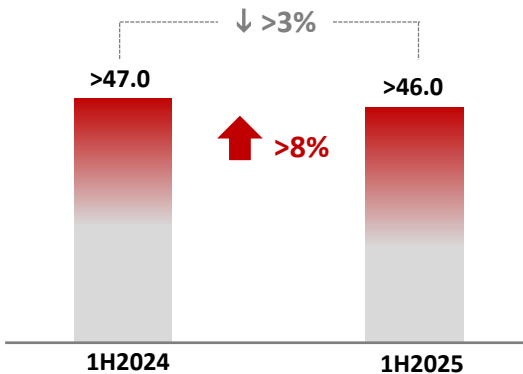
(RMB'M)



### New Contracts

(RMB'Bn)

Strategic Emerging Businesses  
Fundamental Businesses



### Major Growth Drivers:

Digital Infrastructure: + >35%

Smart City: + >10%

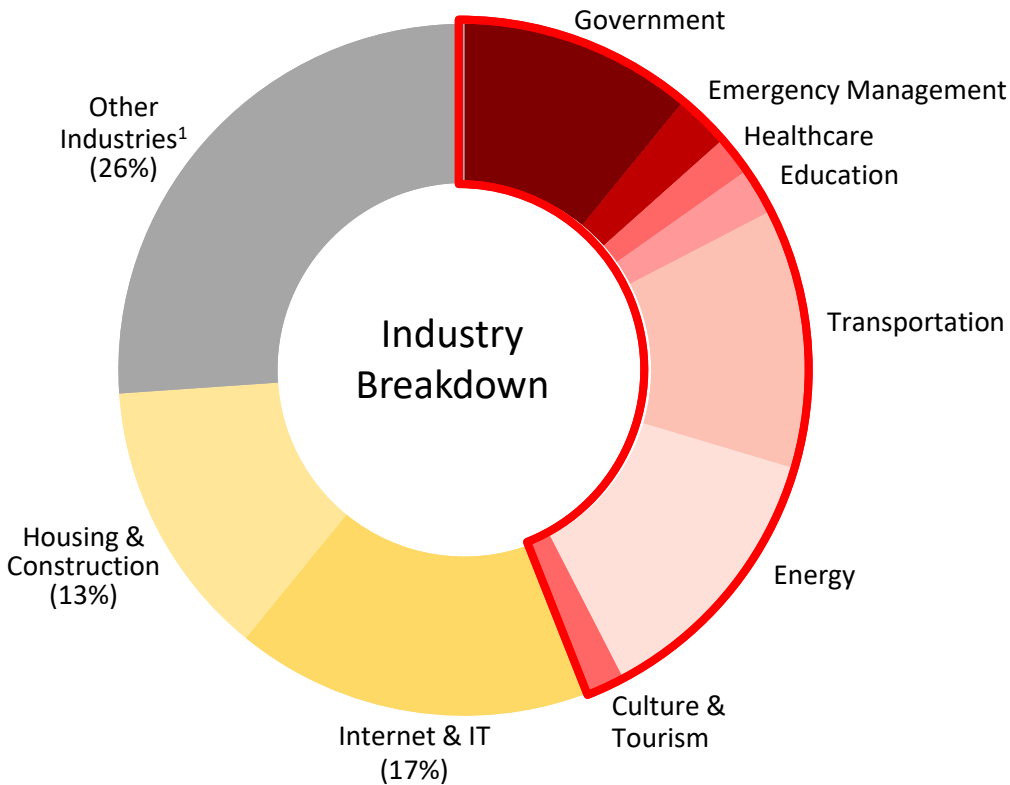
- The rapid development of AI as driver
  - ▶ Construction of computing power centers accelerated: achieving multiple breakthroughs in the fields of general computing, intelligent computing, and supercomputing. In domestic non-operator market, new contract growth of digital infrastructure exceeded 35%, revenue from TIS business achieved double-digit growth
  - ▶ In-depth penetration of scenario applications: providing AI-integrated smart solutions, while focusing on the opportunities of smart city, ACO business maintained relatively fast growth
- Focusing on new opportunities brought by relevant government's policies on smart city and our advantageous areas in strategic emerging businesses, including digital infrastructure, security, low-carbon, industrial digitalization platform and smart operation and maintenance

# Domestic Non-Operator Market (2): Focused on Key Industries for Thorough Development

Fully Leveraged the Edges of our Service Capability Covering the Three-tiers in Provinces, Municipals and Counties

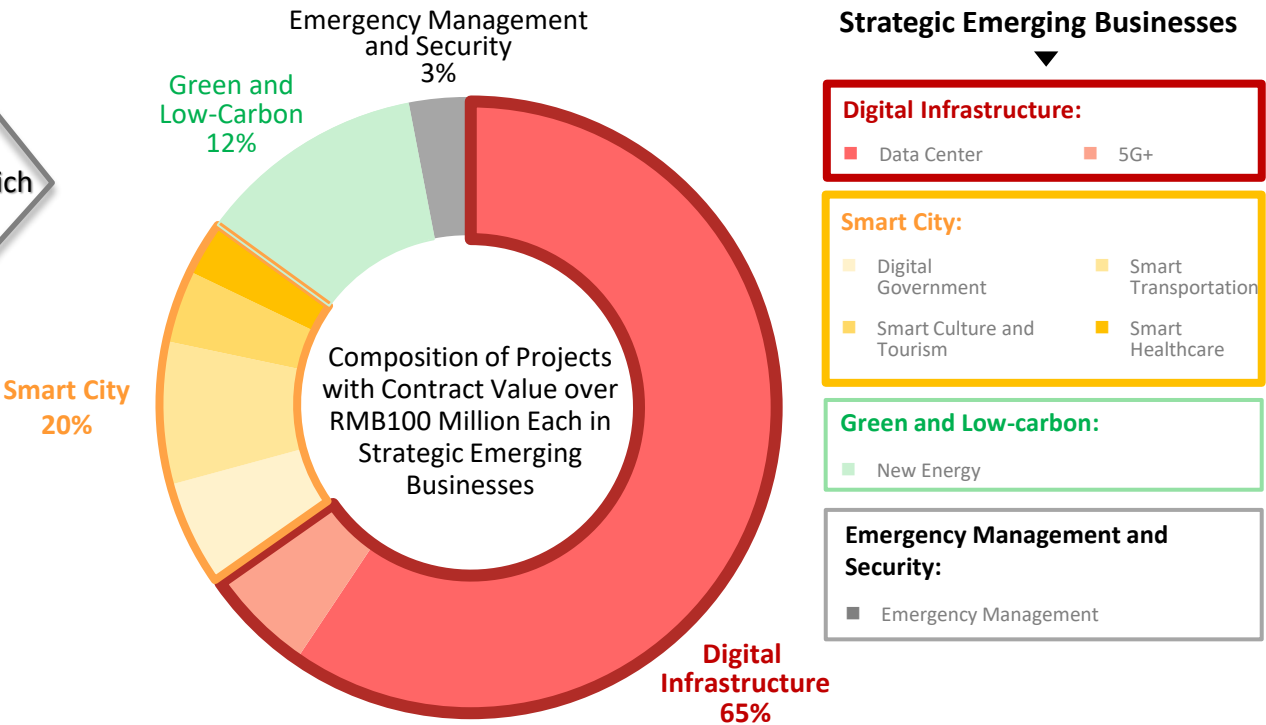
## New Contract of Domestic Non-operator Market in 1H2025

Key Industries Collectively Accounting for 44%



In which

- Achieved solid business growth in key industries (including government, transportation, energy, education, healthcare, culture and tourism) and other industries such as Internet & IT and housing & construction
- Among projects in strategic emerging businesses with contract value over RMB100 million each, digital infrastructure including data centers accounted for the highest proportion (approximately 65%), demonstrating a remarkable increase



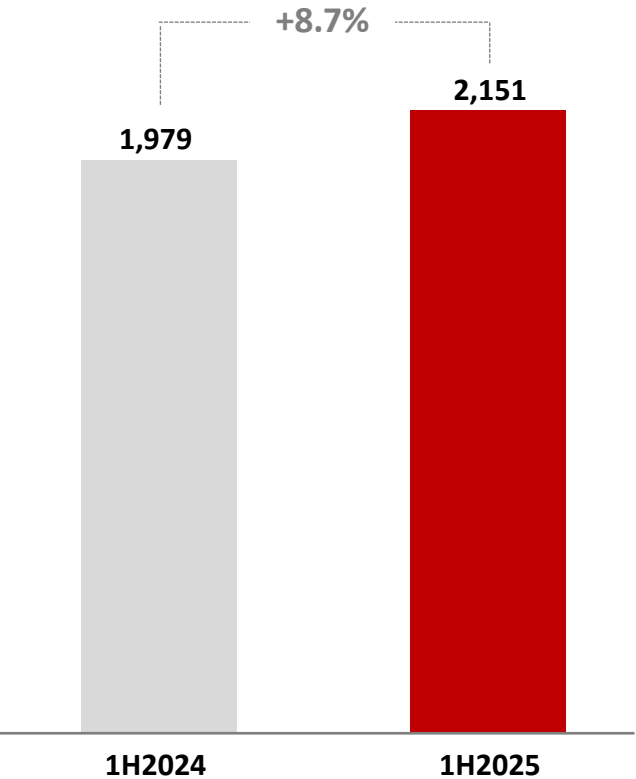
(1) Other industries include finance, agriculture, etc.



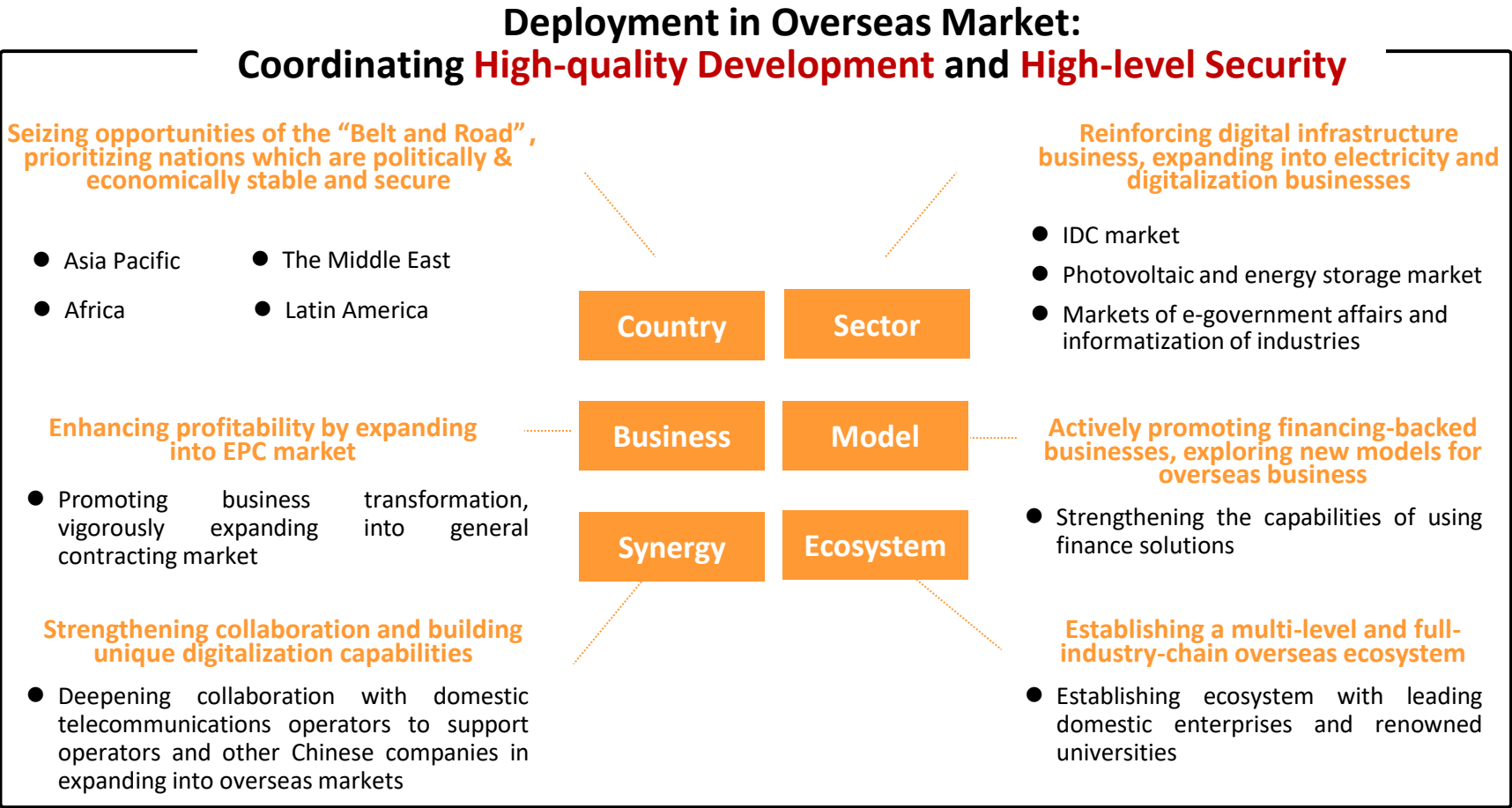
# Overseas Market: Actively Responded to the National “Belt and Road” Initiative

While Consolidating the Foundation of Traditional Businesses, Steadily Expanded Overseas New Businesses such as Industrial Digitalization and New Energy

Revenue  
(RMB'M)



- While strengthening overseas telecommunications infrastructure development, we replicate our domestically accumulated capabilities and experience in informatization abroad to capture the enterprise digital transformation opportunities overseas



# Cultivating Successful Projects, Creating Value for Customers (1)

## Digital Infrastructure, Smart City, Green and Low-carbon and Emergency Management and Security

### A FinTech Center Project of a Bank in Horinger Park New Benchmark (RMB50+ Million)



- **Construction Scope:** Applying the core principles of “Rapid Delivery, Adaptive Adaptation, Modular Development, Low-Carbon and Energy-saving, and Smart and High-efficiency”, intelligentization systems were applied to empower design and consultation. **The project duration was shortened from 180 days to 95 days**, establishing the most complex, greenest, and smartest data center integrated demonstration park in financial industry
- **Project Highlights:**
  - 1) **Most Carbon-Efficient:** PUE as low as 1.176, with **annual average power savings of 19 million kWh**
  - 2) **Most Efficient:** Full-process digitalization design with a concept of smart operation and maintenance, **increasing efficiency by 10%**
  - 3) **Most Important:** The project will **support 50% of new incremental business over the next 5 years**

After winning the bid of Phase 1 project, the Group also won the bid of Phase 2, further enhancing its influence in the financial sector
- **Market Potential:** The national financial industry data center market is projected to exceed **RMB60 billion** in 2025

### Gas Pipeline Network Facilities Renovation Project in a District New Sector (RMB35+ Million)



- **Construction Scope:** Carrying out intelligent transformation of the gas pipeline network and establishing a gas safety monitoring center to safeguard gas supply for 200,000 local residents
- **Project Highlights:** The project provides customers with full-chain intelligent management covering “front-end sensing – middle-platform analysis – early warning and response”, **increasing hidden danger identification accuracy rate to over 90% and achieving the safety goal of “zero major accidents”**. This project is **the first county-level gas pipeline network renovation project in China undertaken by the Group, featuring the deployment of 20,000-level intelligent terminals**. It marks a milestone in the Group’s participation in the national key initiative for building resilient counties
- **Market Potential:** Over the next five years, China will gradually upgrade **600,000 kilometers of urban pipeline networks, with investment demands exceeding RMB4 trillion**

## Cultivating Successful Projects, Creating Value for Customers (2)

### Digital Infrastructure, Smart City, Green and Low-carbon and Emergency Management and Security

#### Source-Grid-Load-Storage Integration of “Virtual Power Plant” Project in a County New Technology (RMB35+ Million)



- **Construction Scope:** Construction of a power distribution network centralized control system, “Virtual Power Plant” operation system, emergency command system, “Virtual Power Plant” cockpit display system and supporting hardware, and auxiliary facilities
- **Project Highlights:** Establishing an energy supply system primarily based on green electricity, by **exploiting the green electricity price differential**, it can generate **additional annual revenue of approximately RMB800,000 for the power supply enterprise** while improving comprehensive energy operation efficiency. This project is the first source-grid-load-storage integration supporting project undertaken by the Group in a province and serves as a typical case of the Group’s deep involvement in the national new electricity system construction
- **Market Potential:** The national output value scale of the green and low-carbon industry amounts to approximately **RMB11 trillion**

#### “Operation & Maintenance”, “Integration”, and “Integration + Operation & Maintenance” for Emergency Management in a Province New Model (RMB100+ Million)



- **Service Model & Content:** Providing system operation and maintenance services for provincial-level units, system integration for provincial-level units, and on-site operation and maintenance services across provincial, municipal, and county levels
- **Project Highlights:** Upgrades traditional operation & maintenance to **integrated services of “system integration + operation & maintenance”**, while improving operation & maintenance efficiency, system stability, and reliability. This project represents another innovative business expansion model for the Group in the informatization field, elevating the scale of emergency management business in that province to increase from RMB4 million to over RMB100 million
- **Market Potential:** Market size of system operation and maintenance across all levels in China **exceeds approximately RMB300 billion**



# Cultivating Successful Projects, Creating Value for Customers (3)

## AI Typical Products and Benchmark Cases Showcase

### “Grain Query” Bot



- **Focusing on** LLM+SQL technology to solve user data analysis challenges, it automatically identifies user's intent, exhausts all indicators, models, and reports within the limited domain of the information base, and simplifies data output
- **Market Expansion:** Relevant contract value of RMB32+ million
- **Typical Case: A provincial grain depot**
  - **Achievements:** Achieving unified software, processes, and data standards across provincial, municipal, and county levels. It covered 600+ granaries in the province, served 20,000+ users, and integrated 15,000+ granary devices, improving customer data reporting efficiency by over 50%, and increasing routine report accuracy by 20%

### AI Intelligent Customer Service Platform



- **Focusing on** the deep integration of large models technology with customer service center production and operations, it establishes a collaborative application mode of large and small models, creating a full-process intelligent AI application covering pre-call, in-call, and post-call phases
- **Market Expansion:** Relevant contract value of RMB37+ million
- **Typical Case: A smart vehicle relocation service**
  - **Achievements:** The project undertakes 114 vehicle relocation services in 21 prefecture-level cities in a province, providing residents with more than 3 million vehicle relocation services per month, reducing the manual intervention rate by 23%, AI diversion accounting for 93%, recognition accuracy rate of 95%, service satisfaction rate of 93%, and an annual cost reduction of more than RMB12 million

# Cultivating Successful Projects, Creating Value for Customers (4)

## AI Typical Products and Benchmark Cases Showcase

### Energy-Saving Cloud Platform



- **Focusing on** “expert algorithms + AI algorithms + big data models”, through global AI optimization, it maximizes the energy-saving potential of air conditioning systems, achieving optimal energy efficiency across data centers
- **Market Expansion:** Relevant contract value of RMB15+ million
- **Typical Case:** An energy-saving renovation project for a second hub building of an operator
  - **Achievements:** With energy consumption minimization as its guiding objective, the platform achieved about 12% energy saving for air conditioning equipment, reducing annual electricity consumption by more than 500,000 kWh, and saving electricity cost by about RMB410,000 per year. It decreased annual carbon emission by approximately 268 tonnes of CO<sub>2</sub> while reducing PUE by 10%, with carbon emission reduction contributions equivalent to planting of 13,400 trees, improving public health and employment, and promoting the optimization of regional energy structure

### Youth Sports Intelligence System



- **Focusing on** scenarios such as integrating multi-modal perception, AI smart playgrounds, physical fitness measurement, home-school collaboration, and health knowledge graphs, achieving intelligent assessment of youth physical fitness
- **Market Expansion:** Relevant contract value of RMB4+ million
- **Typical Case:** A sports intelligence system of an education commission
  - **Achievements:** It has served more than 100,000 students for an education commission, with more than 6 million entries of data access and a total of 600,000+ entries of monthly active data, achieving large-scale application. Through the application platform, students have completed a total of 2 million exercise tasks, with over 90% accuracy rate of behavior recognition, effectively promoting the transformation of students' healthy behaviors and setting a national benchmark for AI-empowered adolescent health management



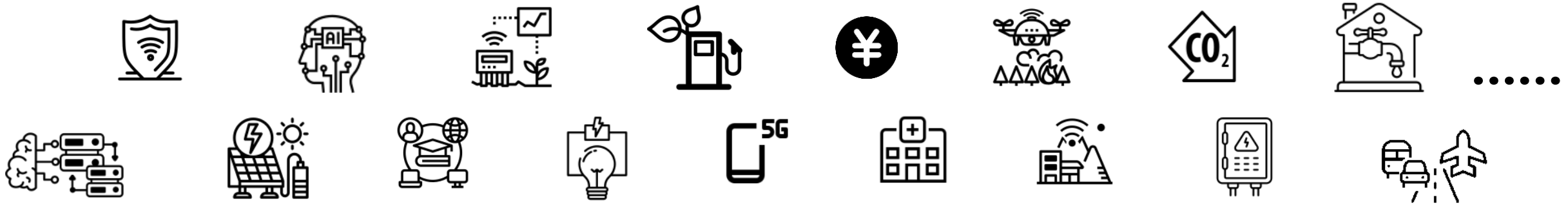
## Prospects: Vast Potential for Business Development

- Seizing Opportunities from Intelligent Transformation and Green Transformation Across Thousands of Industries Driven by Cutting-edge Digital Technologies, such as AI, Big Data, and Cloud Computing
- Market Size over Trillion (RMB) for Each of the Sectors of AI/Intelligent Computing, Smart City at County Level (Urban Renewal), Enterprises Digital Transformation, etc

### Domestic Operator Market

### Domestic Non-operator Market

### Overseas Market



### Integrated Full Lifecycle Service Capabilities

Consulting  
and Design

Construction

Software  
Development

System  
Integration

Supply Chain

Facilities  
Management

Operation and  
Maintenance  
Support

01



Overview



02



Business  
Review



03



Financial  
Results





## Key Financial Indicators

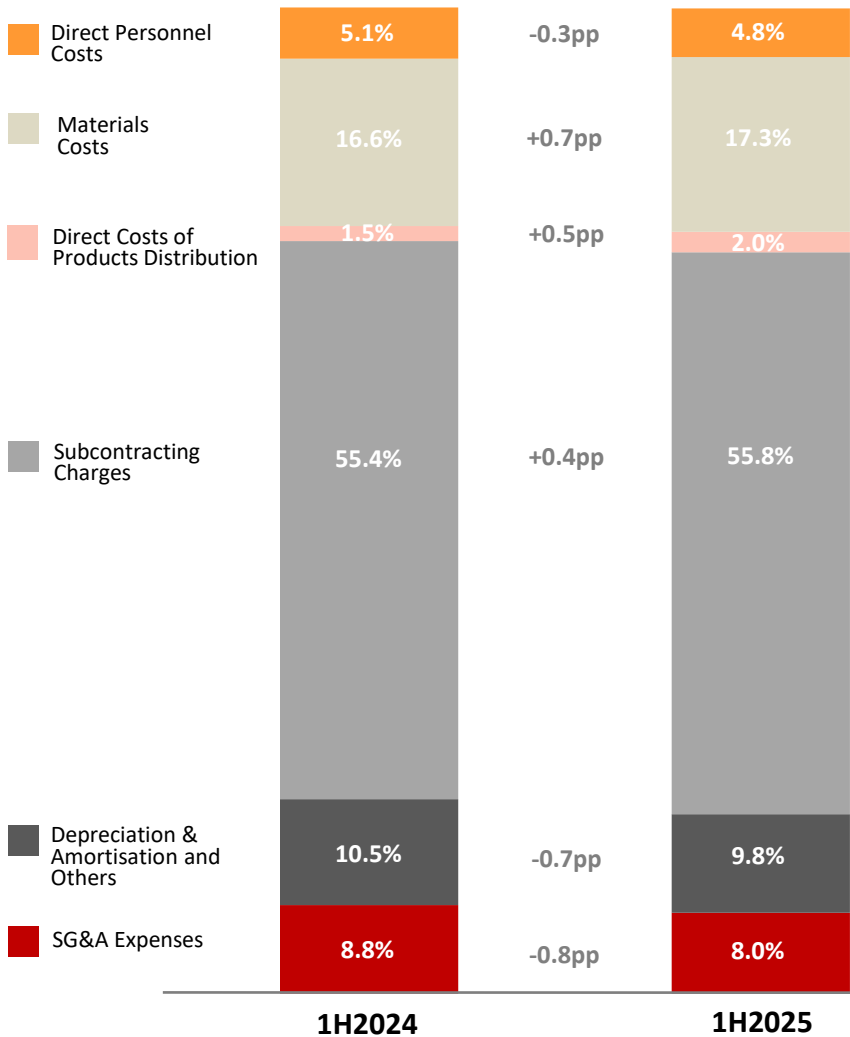
(RMB'M, Except EPS)	1H2024	1H2025	Change %	% of Revenues
<b>Revenues</b>	<b>74,412</b>	<b>76,939</b>	<b>3.4%</b>	<b>100%</b>
<b>Cost of Revenues</b>	<b>66,296</b>	<b>69,051</b>	<b>4.2%</b>	<b>89.7%</b>
Direct Personnel Costs	3,808	3,707	-2.6%	4.8%
Materials Costs	12,337	13,341	8.1%	17.3%
Direct Costs of Products Distribution	1,098	1,561	42.1%	2.0%
Subcontracting Charges	41,233	42,932	4.1%	55.8%
Depreciation and Amortisation	505	498	-1.4%	0.7%
Others	7,315	7,012	-4.1%	9.1%
<b>Gross Profit</b>	<b>8,116</b>	<b>7,888</b>	<b>-2.8%</b>	<b>10.3%</b>
<b>SG&amp;A Expenses</b>	<b>6,542</b>	<b>6,182</b>	<b>-5.5%</b>	<b>8.0%</b>
<b>Net Profit</b>	<b>2,125</b>	<b>2,129</b>	<b>0.2%</b>	<b>2.8%</b>
<b>EPS(RMB)</b>	<b>0.307</b>	<b>0.307</b>	<b>0.2%</b>	<b>-</b>
<b>Free Cash Flow<sup>1</sup></b>	<b>-2,165</b>	<b>-7,627</b>	<b>-</b>	<b>-</b>

(1) Free cash flow = profit for the year + depreciation & amortisation – changes in working capital – CAPEX

(2) Due to rounding adjustment, discrepancies may occur in certain summation totals or percentage changes in this presentation

# Promoted Cost Reduction and Efficiency Enhancement to Increase Operating Efficiency

Cost/Expense as a % of Revenues



## Enhancing Input-Output Efficiency of Human Capital

- Optimized organizational structure and adjusted employee mix to enhance labor productivity

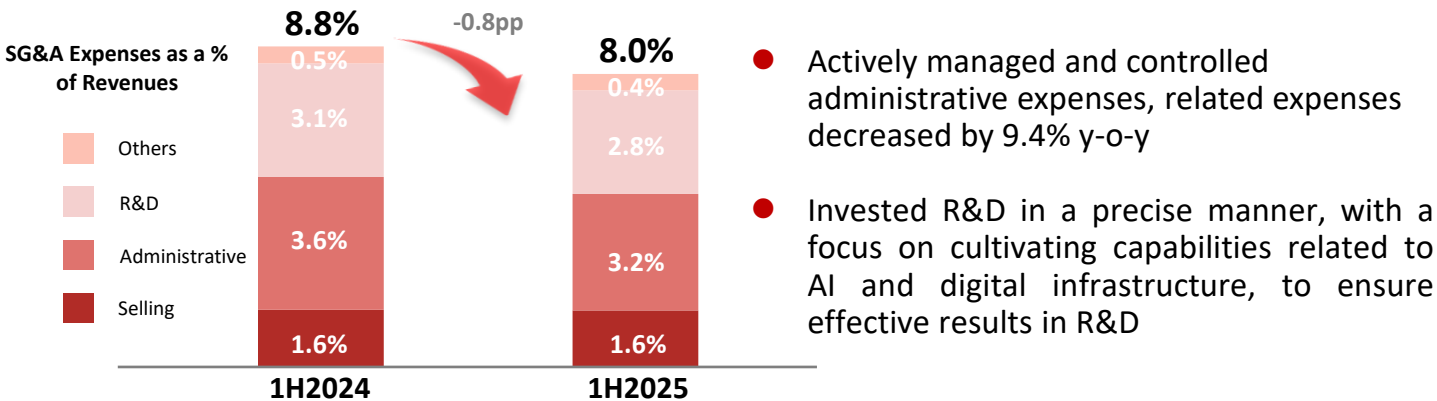
## Strengthening the Control of Materials Costs

- Pursuant to the change in service model (increase in general contracting projects), it led to the relatively fast growth of construction material costs. The Company would strengthen the control of materials costs by implementing centralized procurement and improving the management of centralized procurement

## Striving to Control Subcontracting Charges

- The Company would strengthen the control of subcontracting charges by enhancing self-sufficient delivery capability, utilizing AI digitalization measures to reinforce the whole-process business management, strengthening system construction and analysis

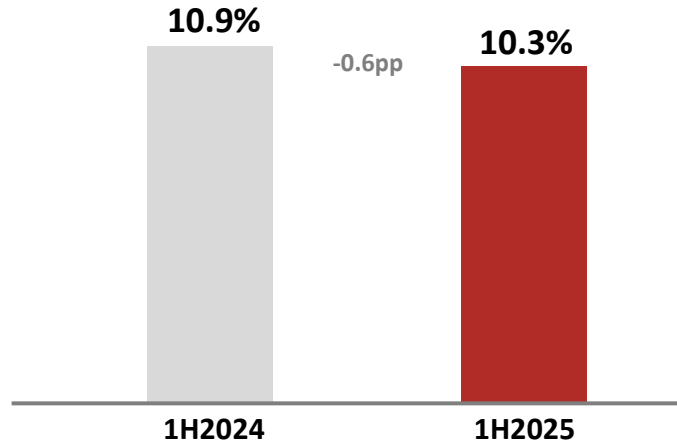
## Strengthening Management and Control of SG&A Expenses



- Actively managed and controlled administrative expenses, related expenses decreased by 9.4% y-o-y
- Invested R&D in a precise manner, with a focus on cultivating capabilities related to AI and digital infrastructure, to ensure effective results in R&D

## Implemented Multiple Measures to Stabilize Overall Efficiency

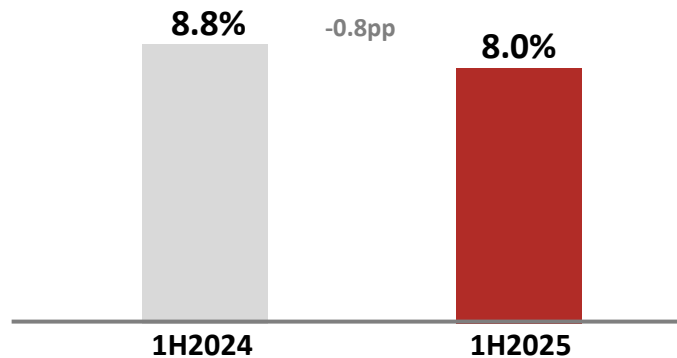
### Gross Profit Margin



Addressing External Challenges Actively  
Enhancing Financial Value Management  
Supporting Efficiency Enhancement

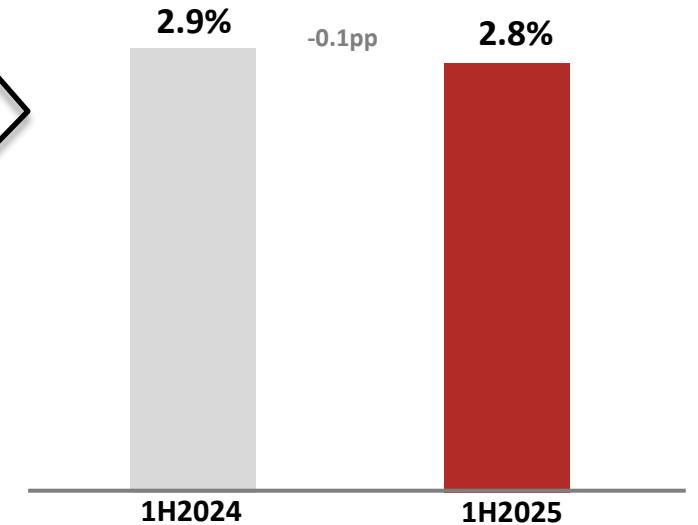
- Prioritized resource allocation efficiently to support corporate transformation into new areas
- Facilitated the commercialization of technological innovation results to develop flagship products and enhance business value
- Continued to promote cost reduction and efficiency improvement while fully revitalizing existing resources to enhance operating efficiency

### SG&A as a % of Revenues



Net Profit Margin Remained  
Largely Stable

### Net Profit Margin



## Financial Position Remained Healthy

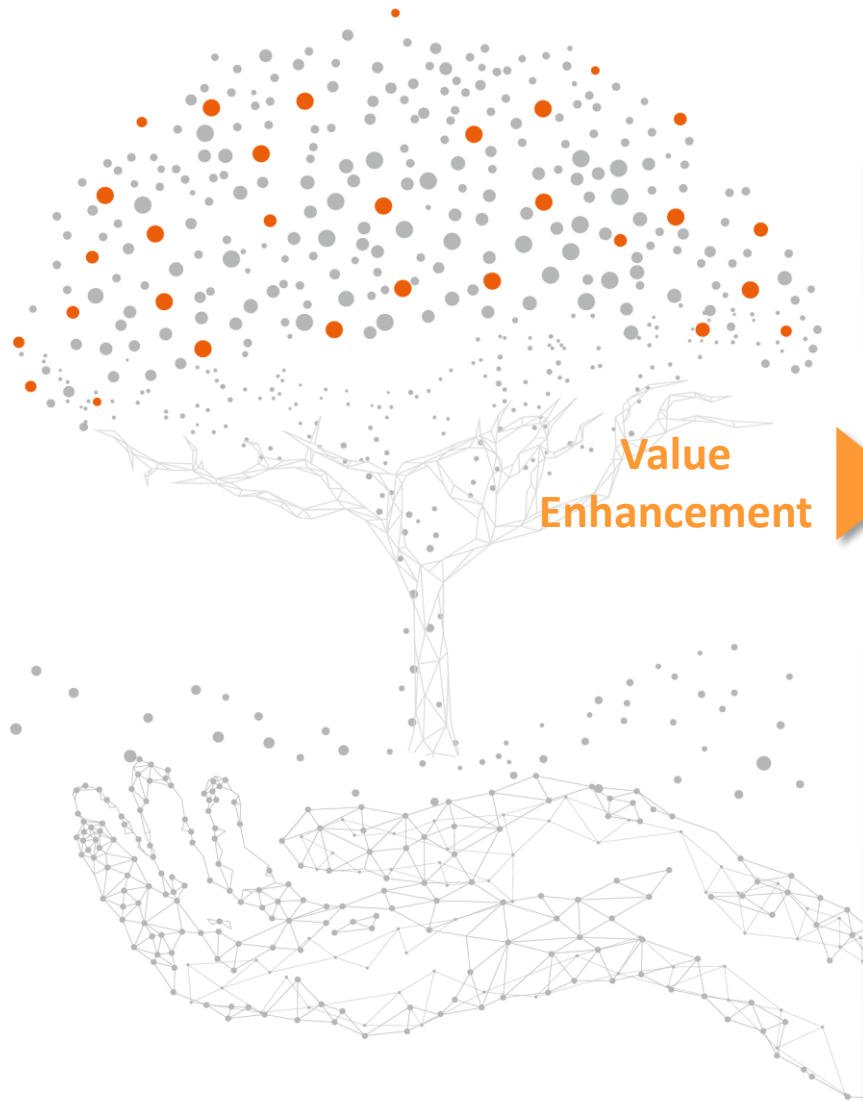
(RMB'M)	31.12.2024	30.6.2025
<b>Total Assets</b>	136,618	138,248
In which: Cash and Deposits <sup>1</sup>	38,110	29,400
Accounts Receivable and Contract Assets	63,064	72,148
<b>Total Liabilities</b>	90,004	90,598
In which: Accounts Payable and Contract Liabilities	75,085	74,725
Interest-bearing Liabilities	706	764
<b>Equity Attributable to Equity Shareholders of the Company</b>	45,436	46,461
<b>Total Liabilities/Total Assets (%)</b>	65.9%	65.5%
<b>Gearing Ratio<sup>2</sup> (%)</b>	1.5%	1.6%

(1) Cash and deposits refer to the total amount of cash and cash equivalents, restricted cash as well as fixed deposits in current assets and non-current assets.

(2) Gearing ratio refers to total interest-bearing borrowings divided by the sum of equity attributable to equity shareholders of the company and total interest-bearing borrowings at the end of the year (or period).

# Market Value Management

Enhancing the Company's Investment Value, Aligning its Market Value with Intrinsic Value



## Formulating Market Value Enhancement Measures

- Conscientiously Enhancing Development Quality
- Intensifying Efforts in Technological Innovation
- Strengthening Market-oriented Reforms
- Actively Exploring Capital Operation Methods
- Highly Valuing Shareholders' Return
- Improving the Quality of Information Disclosure
- Strengthening Investor Relations Management
- .....

#### **Corporate Governance Asia “15th Asian Excellence Award”**

- Sustainable Asia Award
- Best Investor Relations Company
- Asia’s Best CFO

#### **FinanceAsia “Asia’s Best Companies 2025”**

- Most Committed to DEI – China (mainland) Bronze

#### **NewFortune “8th NewFortune Best IR Hong Kong Listed Company”**

- Best IR Hong Kong Listed Company (H-Share)

#### **Extel (formerly Institutional Investor) “2025 Asia (ex-Japan/ANZ) Executive Team” rankings**

Telecommunications Sector in both Mainland China and Small & Midcap categories

- Most Honored Company
  - Best Company Board
  - Best ESG
  - Best IR Program
  - Best CFO
  - Best IR Professional

#### **Hong Kong Investor Relations Association “11th IR Awards 2025”**

- IR Dedicated Company

#### **Constituent of Hang Seng Corporate Sustainability Benchmark Index (2024-2025)**

# Thank You!





## Appendix



## Business Revenue Breakdown – by Market

(RMB'M)	1H2024	1H2025	Change	Change %
<b>TIS (Telecommunications Infrastructure Services)</b>				
Domestic Operator	20,313	17,866	-2,447	-12.0%
Domestic Non-operator	15,933	18,874	2,941	18.5%
Overseas Customer	1,420	1,532	112	7.9%
<b>Subtotal</b>	<b>37,666</b>	<b>38,272</b>	<b>606</b>	<b>1.6%</b>
<b>BPO (Business Process Outsourcing Services)</b>				
Domestic Operator	13,786	13,879	93	0.7%
Domestic Non-operator	8,059	8,147	88	1.1%
Overseas Customer	318	357	39	12.0%
<b>Subtotal</b>	<b>22,163</b>	<b>22,383</b>	<b>220</b>	<b>1.0%</b>
<b>ACO (Applications, Content and Other Services)</b>				
Domestic Operator	5,925	6,458	533	9.0%
Domestic Non-operator	8,417	9,564	1,147	13.6%
Overseas Customer	241	262	21	8.9%
<b>Subtotal</b>	<b>14,583</b>	<b>16,284</b>	<b>1,701</b>	<b>11.7%</b>
<b>Revenues</b>	<b>74,412</b>	<b>76,939</b>	<b>2,527</b>	<b>3.4%</b>

## Forward-looking Statement

The Company would like to caution readers about the forward-looking nature of certain statements herein. These forward-looking statements are subject to risks, uncertainties and assumptions, which are beyond its control. Potential risks and uncertainties include those concerning, among others, the change of macroeconomic environment, natural disaster, the growth of the relevant industries, the change in the regulatory environment, and our ability to successfully execute our business strategies. In addition, these forward-looking statements reflect the Company's current views with respect to future events and are not a guarantee of future performance. The Company does not intend to update these forward-looking statements. Actual result may differ materially from the information contained in the forward-looking statements as a result of a number of factors.