

HIGHLIGHTS

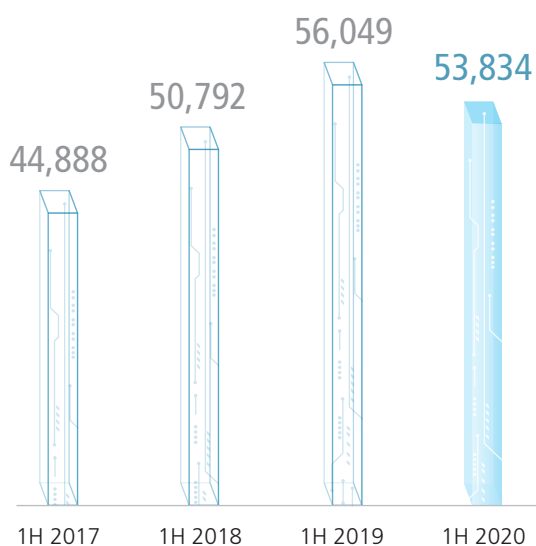
- In the first half of 2020, the pandemic brought unprecedented pressure and challenges to the Group's operation, which resulted in short-term impact on its operating results.
- The Group took various measures proactively to cope with the impact of the pandemic, which facilitated a noticeable rebound of its operations in the second quarter of the year; but this recovery has not fully mitigated the impact brought by the pandemic at the beginning of the year.
- The Group seized opportunities from the 5G construction by domestic telecommunications operators, as it cultivated and leveraged its edges in general contracting capabilities to consolidate its leading market position.
- Domestic non-operator market continued to be the main growth driver for the overall development, and contributed over 40% of total revenues for the first time with further improving development quality.
- The Group continuously increased R&D investment to upgrade software service capabilities, and ACO business maintained a sustained and rapid growth, with its revenue contributed approximately 15% of total revenues.
- The pandemic facilitated the development of New Infrastructure and digital transformation of enterprises, and brought various new opportunities. The Group, with its businesses and capabilities tallying with the overall development demand of New Infrastructure, will seize new opportunities and further promote its high-quality and sustainable development.

Financial Highlights

	Six months ended 30 June		
	2020	2019	Change
Revenues (RMB million)	53,834	56,049	-4.0%
Gross profit (RMB million)	5,903	6,300	-6.3%
Profit attributable to equity shareholders of the Company (RMB million)	1,588	1,712	-7.2%
Basic earnings per share (RMB)	0.229	0.247	-7.2%
Free cash flow ¹ (RMB million)	(1,596)	(425)	-

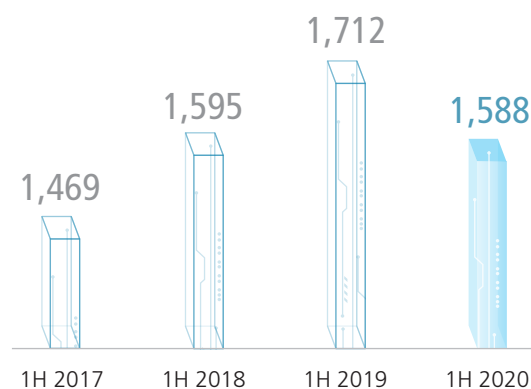
Revenues

(RMB million)



Profit Attributable to Equity Shareholders of the Company

(RMB million)



¹ Free cash flow = Profit for the year + Depreciation and amortisation – Changes in working capital – Capital expenditure