

2025 Annual Results Presentation of China Communications Construction (601800SH,1800HK)

Time: 10:00-11:30, April 2, 2026

Location: 2F, CCCC Building

Part II: Question and Answer Session

I. Online Questions

1. How will the company develop during the "15th Five-Year Plan" period? What is the functional positioning of CCCC within CCG? In which areas will the second growth curve be fostered, and what are the core advantages?

A: During the "14th Five-Year Plan" period, the construction industry faced numerous challenges. The growth rate of the stock market slowed down, with declines observed in certain areas. The proportion of large-scale projects decreased, and the coverage rate of traditional primary transportation networks reached 88%-90%, marking the industry's entry into a stage of transformation and upgrading. As a central state-owned enterprise, the company persists in forging ahead despite difficulties, earnestly fulfilling its economic, social, and long-term value responsibilities as well as national missions. Overall, the company has achieved steady progress, adjustment, and reform, with economic indicators aligning with the development laws of the industry.

Looking towards the "15th Five-Year Plan," since its establishment in June last year, the new leadership team has prioritized top-level design,

development strategies, and the "15th Five-Year Plan" as core tasks. They conducted two rounds of exchanges centered on the "666" Strategic Framework, fully deliberated with leadership teams at all levels, and carried out a total of 85 group-wide research sessions. Through two rounds of top-down and bottom-up demonstrations, the *Overall Guiding Opinions* was formulated. This document covers six aspects: Party leadership and development, high-quality development, comprehensive deepening of systemic reforms, technological self-reliance and strength, and political ecology and cultural development, making comprehensive and systematic deployments. We analyzed 66 core issues one by one, formulated 379 sub-targets, and clearly defined the "1545" Development Strategy. Anchoring on the overall goal of building a world-class enterprise, we focus on advancing the "five wholes" fields, the "four bigs" directions, and the construction of a "five-types" enterprise, mapping out a clear blueprint for development during the "15th Five-Year Plan" period.

The "five wholes" represent our core layout. First is "**whole transportation**," which covers all transportation formats including highways, railways, ports, airports, and logistics. Our port, waterway, and dredging businesses rank first in China and first in the world; large-scale road and bridge hubs maintain a relative lead; the railway business ranks third domestically and first in certain overseas areas; airport planning and construction are at the forefront domestically; comprehensive transportation and logistics are at the forefront of the industry. We

possess a complete industrial chain spanning from acting as a national think tank to planning and design, construction, equipment manufacturing, and investment and operation. Second is "**whole city**," covering all urban business formats such as real estate, municipal engineering, energy, and water conservancy. Urban business accounts for 42% of our total, and the deep integration of transportation and cities has become the mainstream trend of industry development. Third is "**whole water**," covering macro-water (ocean economy, deep-sea, offshore, and nearshore operations, and island development, with over 85% of domestic offshore structures planned and constructed by CCCC), meso-water (governance of rivers, lakes, and reservoirs), and micro-water (urban water supply, drainage, and wastewater treatment), realizing comprehensive governance and development of all waters. Fourth is "**whole green**." Closely following ecological civilization construction and the "Dual Carbon" goals, we promote the green transformation of traditional businesses and develop green industries such as the integration of transportation and energy, as well as new energy. Fifth is "**whole digital**." We advance industrial digitalization, digital industrialization, management digitalization, and digital value realization. By planning the layout for "AI+" and large transportation models, we comprehensively empower business upgrades with digital technologies to reshape business formats and value realization models.

The "four bigs" are our development priorities. First is "**big overseas**." Our overseas business has ranked first in China and first in

Asia for 19 consecutive years. During the "15th Five-Year Plan" period, we will adhere to prioritized, high-quality, synergistic, and rapid development, striving for an 8% to 10% incremental growth in our overseas business. Second is "**big equipment**." Our shield tunneling machines and dredging equipment have set world records multiple times. Third is "**big industry**." Centered on our main responsibilities and businesses, we extend our development into strategic emerging and future industries such as the ocean economy, road-related economy, and healthcare, adhering to limited diversification, related diversification, and value-return diversification. Fourth is "**big integration**." Grasping the era's themes of innovation, green development, digitalization, and integration, we advance the "four integrations" and "eight-network integration" to open up new spaces for development.

The second growth curve takes innovation, green development, digitalization, and integration as its core directions. We will foster new business formats and models in traditional areas such as ports, waterways, highways, and cities; exert efforts in the green sector through the integration of wind, solar, hydro, thermal power, and energy storage, as well as the integration of transportation and energy; and lay out smart transportation and smart cities in the digital field. We strive to increase the proportion of the second growth curve to 40%-45% during the "15th Five-Year Plan" period.

Our core advantages are embodied in ten major strengths, including high-end top-level design, integrated comprehensive solution capabilities,

technological innovation capabilities, the ability to execute ultra-large project clusters, leadership in setting industry standards, digital capabilities, international layout, talent system advantages, and the advantages of our cultural and spiritual heritage. Our core essence is innovation, green development, digitalization, and integration. Simultaneously, we have clarified the goals for building a "five-types" enterprise, aiming to create an innovation-driven enterprise, a comprehensive transportation provider, a builder of new-quality infrastructure, a globally leading entity, and a champion of integrated development, with secondary and tertiary target systems and implementation pathways defined for each.

2. What are the reasons for the decline in the company's revenue and profit in 2025, which fell short of the annual targets? How are the economic indicator requirements for high-quality development during the "15th Five-Year Plan" and the main targets for 2026 planned? Which businesses will be accelerated in development?

A: The decline in the company's revenue and profit in 2025, leading to the gap with the annual targets, is the result of the combined effects of multiple objective factors and our internal proactive measures. The company adheres to the principles of striving forward, seeking truth from facts, resolutely avoiding false accounting, and making every effort to resolve historical issues, ensuring that the operational data is authentic and reliable. The primary reason for the performance decline is the overall downturn in the infrastructure and transportation sectors,

accompanied by a decrease in the number and scale of large projects. Second, the company proactively and intensively digested historical latent losses and risk assets. The provision for credit impairment and asset impairment exceeded CNY 9 billion for the year. We intensified the identification and disposal of latent loss risks in projects under construction and strengthened our claims efforts. Third, the company comprehensively promoted transformation and upgrading, increasing investments in science and technology and industrial integration to foster new quality productive forces, which had a certain short-term impact on profits. Overall, the contract value and revenue scale remained relatively stable with a minor decline, while profits took a larger hit. This is a common issue across the industry, which the company is proactively addressing and solidly resolving.

Looking ahead to the "15th Five-Year Plan" period and 2026, the company adheres to the general tone of seeking progress while maintaining stability and taking proactive actions. The targets have undergone multiple rounds of analysis, model calculations, and benchmarking both domestically and internationally, representing pragmatic goals that are achievable with effort. For domestic business, we aim to achieve a scale growth rate of 5%-6%, ensure that profits under the same scope do not decline and achieve a certain increment, while continuously advancing the resolution of legacy issues. For overseas business, we strive to achieve a growth rate of 8%-10%, maintaining steady growth on a high base. The company follows a 17-character

guiding principle: systematic, rational, professional, efficient, high-quality, valuable, and sustainable, to ensure the quality of development.

Regarding the business directions to be accelerated: First, we will continue to increase investments in overseas business, leveraging our international advantages. Second, green transportation and comprehensive transportation businesses will achieve rapid breakthroughs by relying on the integration of transportation and energy. Third, businesses related to the "eight-network integration" will be deeply advanced to open up incremental space. Fourth, for the urban operation business, with AI as the foundation and the "eight-network integration" as the support, we will transition into urban partners and urban operators, seizing the market with efficient, safe, and low-cost integrated services. Relying on our ten core advantages and strategic layout, the company has the confidence and capability to achieve all targets of the "15th Five-Year Plan" and the 2026 business plan, creating brand-new core competitiveness and development space, and propelling the company towards a higher-quality development stage.

The above is my comprehensive answer to the two questions. Thank you all for your continuous care and support for CCCC. If any expressions are unclear or require further discussion, we can continue to communicate through other channels later.

II. Telephone and On-Site Questions

1. What are the company's targets for its business structure and

the proportion of operational businesses during the "15th Five-Year Plan" period? Will high-quality assets of the Group be injected into the listed company? Will the fostered assets be divested?

A: In the *Overall Guiding Opinions*, the company has planned its business structure across multiple dimensions. The proportion of overseas business will increase significantly, striving to reach 30%-35%. The proportion of new quality productive forces or the second growth curve will reach over 40%, with specific indicators divided by different dimensions.

In terms of capital operation, CCCC's assets account for 70% of the entire Group (compared to over 95% for most other central state-owned construction enterprises). The Group will adhere to the principle of serving the core business and the real economy, and will opportunistically inject fostered high-quality assets (green, strategic emerging, and "three new" industries) into the listed company to enhance investor returns. Currently, there is no plan to transfer CCCC's fostered assets to the Group. The company will accelerate market value management to provide greater returns to investors.

2. What is the future profitability outlook for the company's operational businesses (concession assets)?

A: Currently, concession projects primarily consist of highway assets and housing construction. Some projects have fallen short of expectations due to changes in external conditions (such as the densification of road networks and adjustments to toll rates). The

company will enhance return levels by extending toll periods, optimizing management, and utilizing digital and green methods to upgrade operational models. In the future, acting as "urban partners" and "urban operators," we will adopt new models and platforms such as the "eight-network integration," which are expected to achieve anticipated returns. Simultaneously, a dual-control mechanism will be established: one to keep controllable losses in check, and the other to enforce an exit mechanism.

3. The company intensively resolved historical burden issues in 2025. Besides impairment, how is the remainder reflected?

A: The company's 2025 Annual Report implements the principle of "seeking truth, practicality, and improvement." Historical legacy issues are primarily reflected in: extra-contractual costs not being confirmed, measured, and paid by owners in a timely manner; costs not being covered by revenue in a timely manner due to policy adjustments; periodic consumption of inventory materials at the project end not being included in costs; and period expenses not being recognized in the current profit and loss, among others. The company has systematically digested risk assets. In 2025, the impairment provision accounted for 1.3% of operating revenue, positioning it at the median level over the past five years. The company adheres to prudent accounting policies to ensure information authenticity.

4. The absolute amount of the company's dividend in 2025 decreased. Will special dividend methods be considered this year to

enhance shareholder returns?

A: In accordance with the SASAC's market value management requirements, the company released the Cash Dividend Plan (2025-2027), which proposes that the total annual cash dividend shall account for no less than 20% of the net profit attributable to shareholders of the listed company for the year, and shall not be lower than the level of the previous year. At the same time, the company will comprehensively consider requirement factors such as the current profitability level, cash flow status, and fund balance, and appropriately increase the dividend payout ratio each year based on the actual situation. In 2025, the company's dividend payout ratio increased by 0.5 percentage points to 21.5%, reflecting a prudent and cautious attitude. The company is the first central state-owned construction enterprise to attempt interim dividends. During the "15th Five-Year Plan" period, it will also continue to adhere to the "1+7+N" market value management plan, taking value creation as the foundation to realize a higher proportion of returns when conditions are met.