



MOVE FORWARD WITH **INNOVATION**

SUSTAIN LONGEVITY WITH **QUALITY**

2024 Annual Results

27 March 2025

Management Present



***EXECUTIVE DIRECTOR,
CHAIRMAN***

MR. LUAN XIAOWEI



***EXECUTIVE DIRECTOR,
PRESIDENT***

MR. CUI ZHANWEI



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

MR. SHEN AQIANG



EXECUTIVE VICE PRESIDENT

MR. ZHANG HAO

Agenda



Overview



**Business
Review**



**Financial
Results**



Overview



Business
Review



Financial
Results

- 
- Responding to Complex Situation Proactively and Realizing Steady Yet Improving Operating Results**
- 
- Deepening Quality and Efficiency Enhancement Measures to Firmly Promote High-Quality Development**
- 
- Achieving Favorable Results in Technological Innovation, Driving Overall Growth for Three Consecutive Years**
- 
- Attaining Remarkable Results by Deploying in Strategic Emerging Industries and Leading Future Growth of the Enterprise**
- 
- Accelerating AI Strategic Deployment and Building New Advantages in Industries**

Results Overview (1): Realized Steady yet Improving Operating Results and Firmly Promoted High-quality Development

Achieved “Effective Improvement in Quality, Reasonable Growth in Quantity”

Revenue (RMB'M)	Net Profit ¹ (RMB'M)	Free Cash Flow ² (RMB'M)	New Contracts of Strategic Emerging Businesses (RMB'M)	Gross Profit Margin (%)
150,000	3,607	5,214	>78,000	11.7%
▲ 0.9%	▲ 0.6%	▲ 20.4%	▲ >30%	▲ 0.1pp



Reasonable Growth in “Quantity”

- Revenue scale reached the milestone of RMB150 billion
- Technological innovation-driven businesses and strategic emerging businesses drove overall growth



Effective Improvement in “Quality”

- Gross profit margin improved continuously
- Free cash flow achieved favorable growth

(1) In this material, net profit refers to profit attributable to equity shareholders of the Company.

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

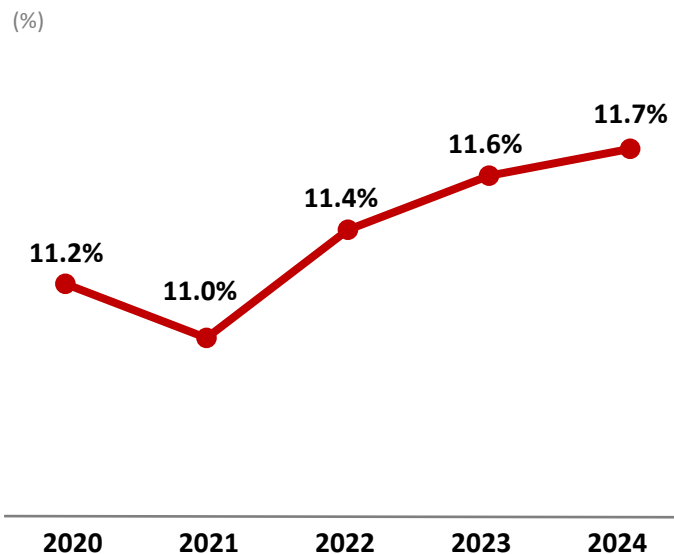
Note: unless specified, all amounts are in RMB in this material.

Results Overview (2): Focused on “Effective Improvement in Quality” with Efficiency Indicators Improving Consistently

Continued to Deepen Various Measures to Improve Quality and Efficiency

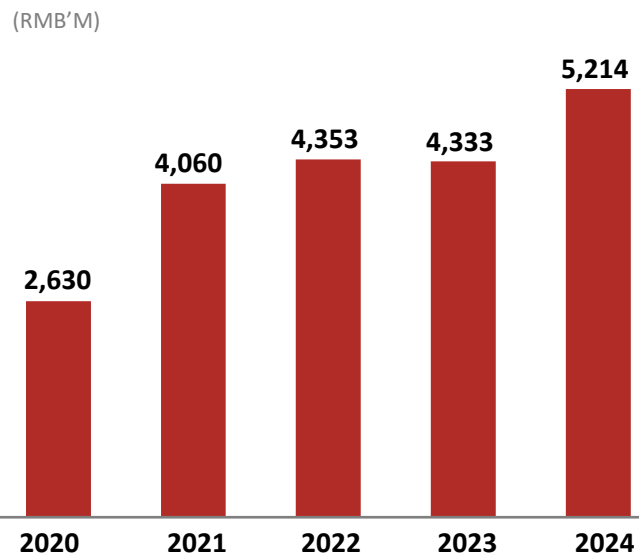
Gross Profit Margin

► Increased Steadily for Three Consecutive Years



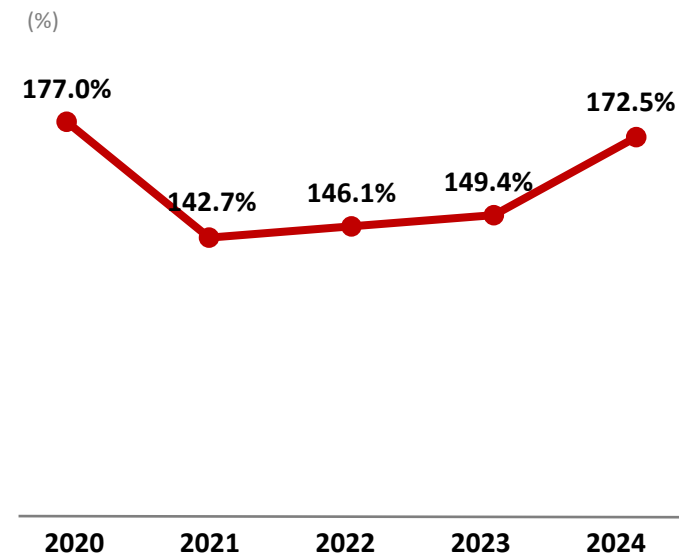
Free Cash Flow

► Sustained at a Relatively High Level for Multiple Years



Cash Conversion Ratio¹

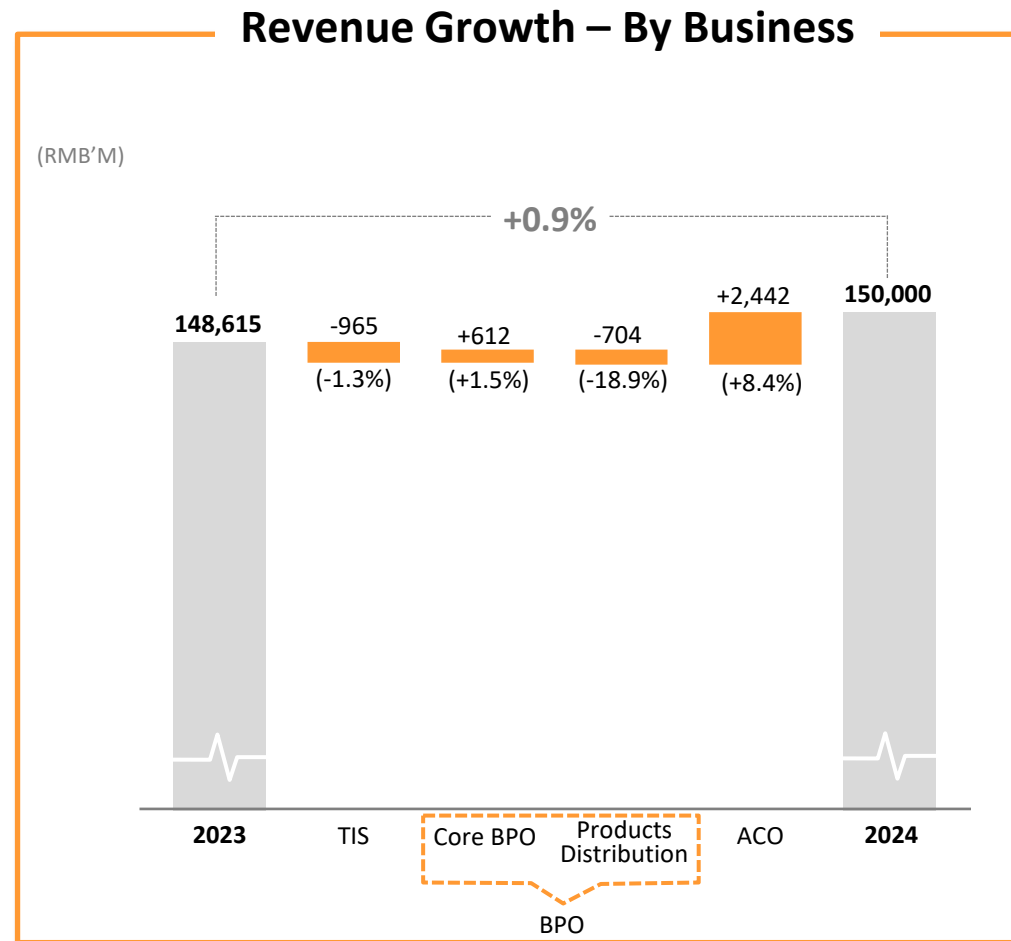
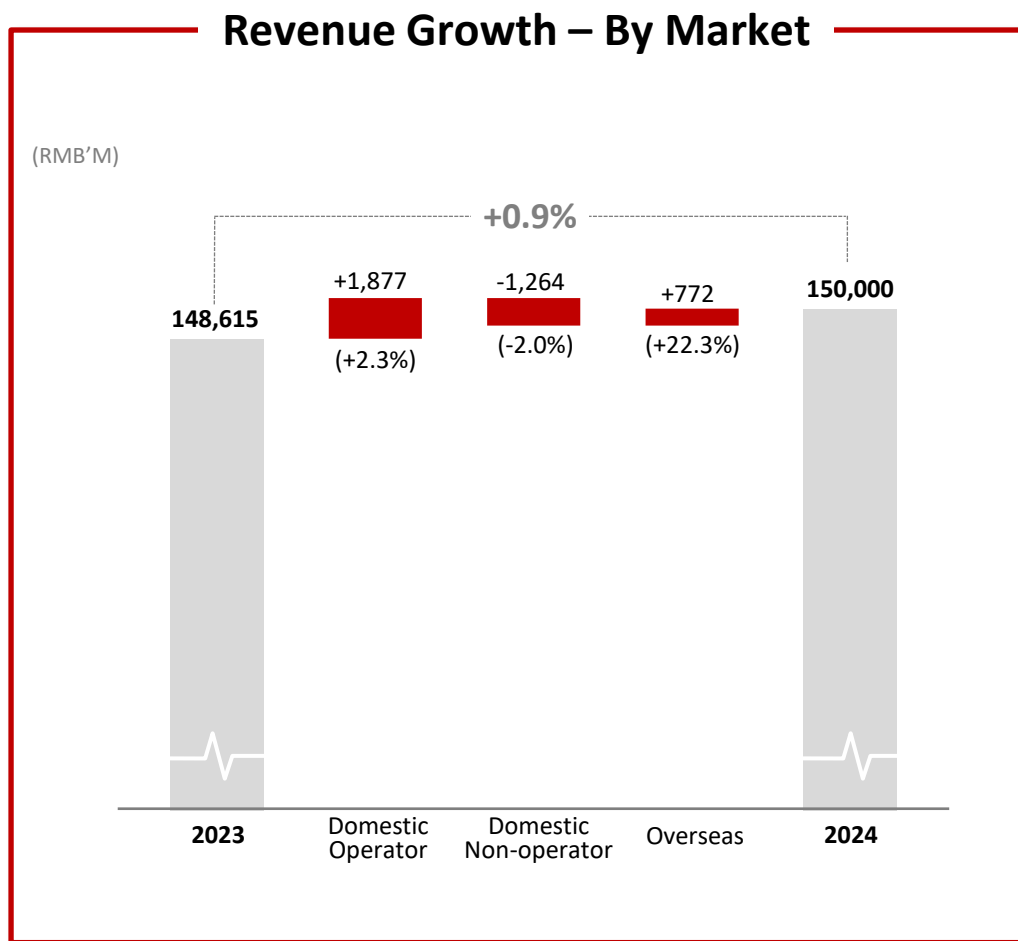
► Consistently Remained at a Favorable Level



(1) Cash conversion ratio = net cash generated from operating activities / net profit

Results Overview (3): Achieved “Reasonable Growth in Quantity” with Operating Revenue Growing Steadily

Seized the Opportunities from Computing Power Infrastructure Construction, Digitalization, Intelligentization and Green Transformation of Society



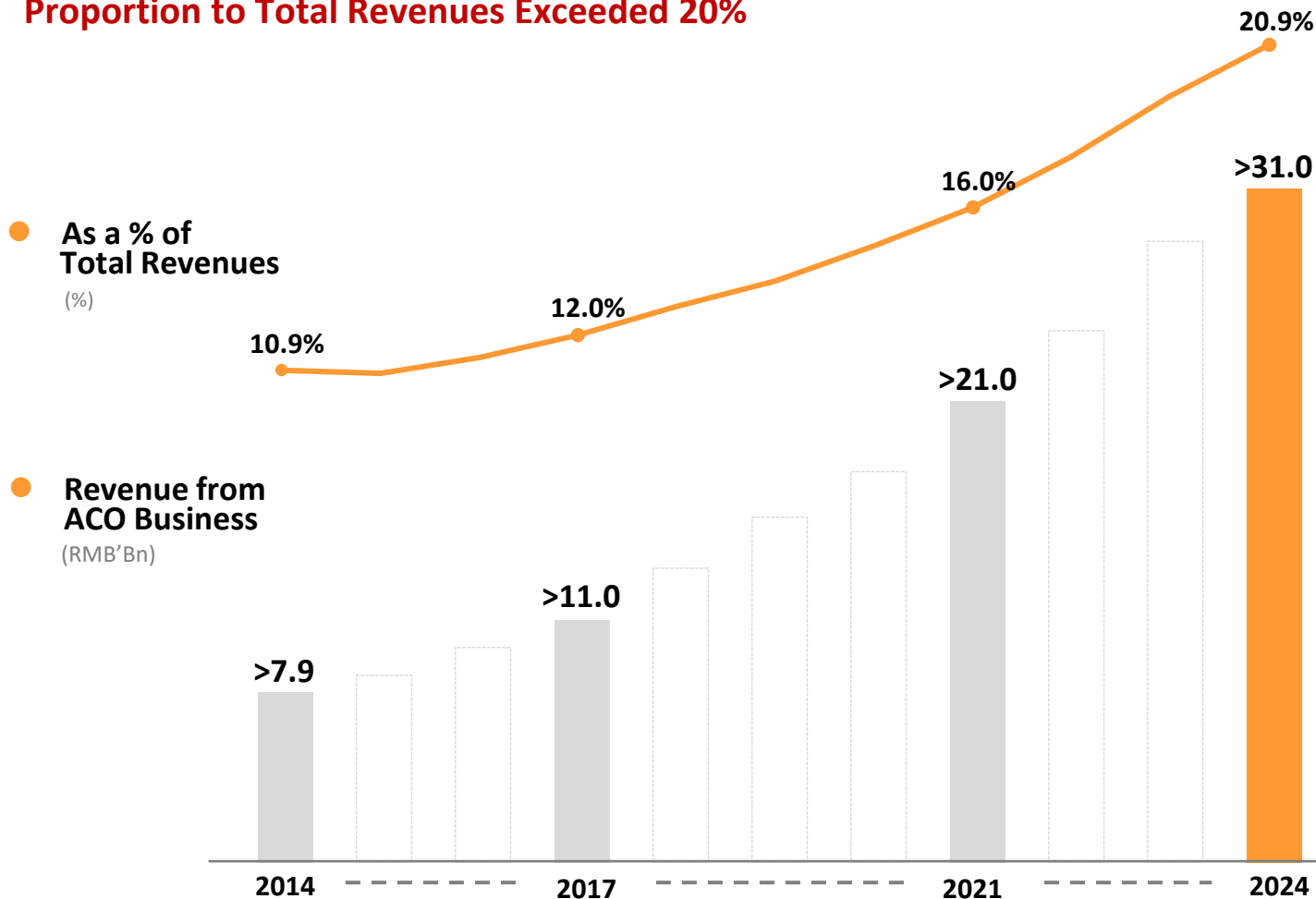
(1) In this material, TIS, BPO and ACO refer to Telecommunications Infrastructure Services, Business Process Outsourcing Services and Applications, Content and Other Services respectively. Please refer to p.19 for details.

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

Results Overview (4): ACO Business being the Largest Contributor to Overall Revenue Growth for Three Consecutive Years

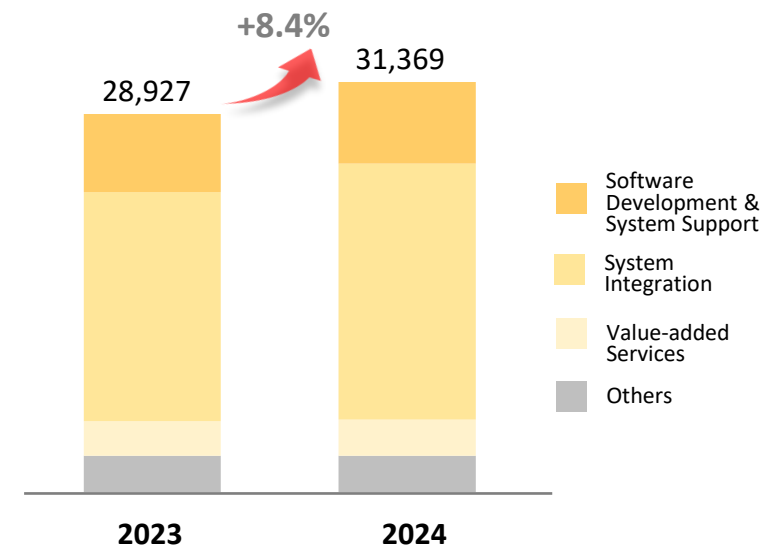
Technological Innovation Drove Rapid Development of Industrial Digitalization Business

Revenue Contribution from ACO Business Has Been Increasing Steadily, Proportion to Total Revenues Exceeded 20%



In 2024, revenue from ACO business grew by 8.4% y-o-y, CAGR>14% over the past decade

Revenue from ACO Business (RMB'M)



Sustaining High-level Technological Innovation (1): Anchored in Strategic Emerging Industries with Outcomes of Technological Innovation Emerging



Commercializing Technological Innovation Results

- New contracts of ACO business increased by **over 12%** y-o-y
- New contracts of strategic emerging businesses amounted to **over RMB78.0 billion**
- **5** key products, with contract value of software and services exceeded **RMB50 million** each; **12** key solutions, with each solution deploying in **>50%** of provinces in China



Continuously Incubating Technological Innovation Results

- Developed a technological innovation product library of **nearly 100** products focusing on emerging technologies such as AI, big data, emergency management, low-carbon, and **23** comprehensive solutions
- Hosted **2 rounds** of technological innovation product roadshows, featuring **50+** products
- Accumulated **3,900+** authorized patents, **10,500+** software copyrights, **24** national-level standards



Technological Innovation Capabilities Recognized by National and Industry Authorities

- Ranked 4th in “China Software 100” for **four consecutive years**
- Awarded **3** provincial and ministerial-level science and technology progress awards, **27** national-level association science and technology progress awards
- Entered the “2023-2024 Recommended Directory of Outstanding Innovative Software Products”, “China Cybersecurity Industry Panorama” and “Smart Safety and Emergency Management Industry Map”

Focusing on Strategic Emerging Industries, R&D Investment in 2024 Exceeded RMB5.5 Billion

Aggregated R&D Resources to Develop Leading Products and Solutions

Smart City (RMB2.1+ bn)

- Parks
- Healthcare
- Enterprise Digital Transformation
- Education
- Transportation
- Digital Government

Green and Low-carbon (RMB0.4+ bn)

- Electricity Infrastructure
- Energy Usage Services
- Carbon Management
- New Energy

Emergency Management and Security (RMB0.5+ bn)

- Emergency Management Command
- Asset Surveying and Mapping
- Security Risk Monitoring
- Security Situation Perception

Frontier Technologies (RMB0.16+ bn)

- AI+ Applications
- Low-altitude Economy
- Internet of Vehicles
- Quantum Information...

Reinforced Foundation Construction

by Strengthening the Bedrock of Technological Capabilities

Digital Infrastructure (RMB1.3+ bn)

5G 6G Data Center Smart Server Room Cloud Business

Capability Middle Platforms (RMB0.9+ bn)

Blockchain IoT Cloud Computing Big Data Industry Middle Platform

Sustaining High-level Technological Innovation (2): Developed Flagship Products and Promoted Commercialization of Results

Smart Sports

Providing domestic leading comprehensive information services of “full-process consultation + products + integrated operation”, participating in the construction of national sports standards and norms as well as smart social sports base, and building leading smart sports brains and N-type of digital sports applications

- **Gold Award** of Scientific and Technological Achievement Contribution
- **Top 2** in National Sports Industry Market Shares
- **Top 1** in National Sports Industry Market Share (Operator)



Hubei Digital Sports (Phase 1)



Chengdu FISU World University Games

Smart Photovoltaic

Developing multiple proprietary key technologies in energy storage, energy usage, and green energy, delivering comprehensive integrated energy storage and energy-saving solutions for data centers, server rooms, and base stations and other scenarios to achieve energy conservation, emission reduction and carbon reduction

- New contract value exceeded **RMB300 million** in 2024
- Deployed in **>50%** of provinces in China



Second Prize of 2024 Henan Province Science and Technology Progress Award



A Co-development Project of Distributed Photovoltaic

Grain Procurement and Storage Integrated Platform

Applied to grain procurement, storage, and supervision, establishing an industry data foundation and general AI analysis framework with cloud-edge-device collaborative technology, significantly enhancing the intelligence level of supervision in grain industry

- **Third Prize of Science and Technology Progress Award** of China Institute of Communications in 2024



Smart Granary Project of a Comprehensive Security Center for Grain and Material Reserves in a City



Electronic and Intelligent Engineering Project for Grain Reserve Warehouse in a City

Smart Construction

Centered on CCS-iBMS and leveraging FTTD as a differentiated competitive advantage, delivering comprehensive solutions spanning intelligent construction consultation, detailed design, equipment procurement, platform R&D, construction, and operations and maintenance

- New contract value exceeded **RMB400 million** in 2024
- Deployed in **>50%** of provinces in China



Phase II of the Expansion Project of a Hospital in a City (Intelligentization)



Low-voltage System Intelligentization Project for a Base

Strategic Emerging Businesses (1): Accelerating Business Expansion to Fuel Future Growth

Achieving Remarkable Results in Strategic Deployment, Strategic Emerging Businesses Has Become the Primary Growth Driver

Total New Contracts

(RMB'Bn)

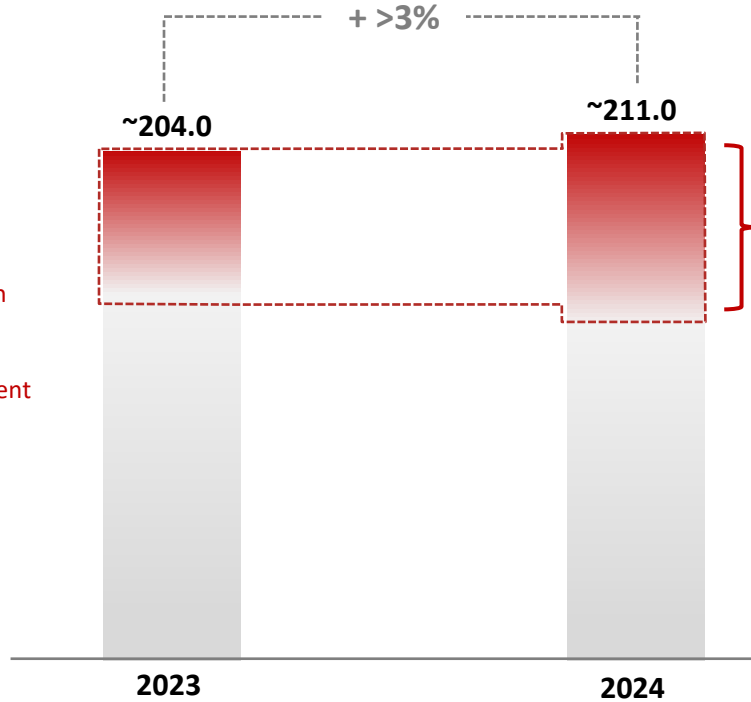
Strategic Emerging Businesses

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

Fundamental Businesses

■ **Strategic Emerging Businesses:** Digital Infrastructure, Green and Low-carbon, Smart City and Emergency Management and Security. Please refer to p.25-28 for details.

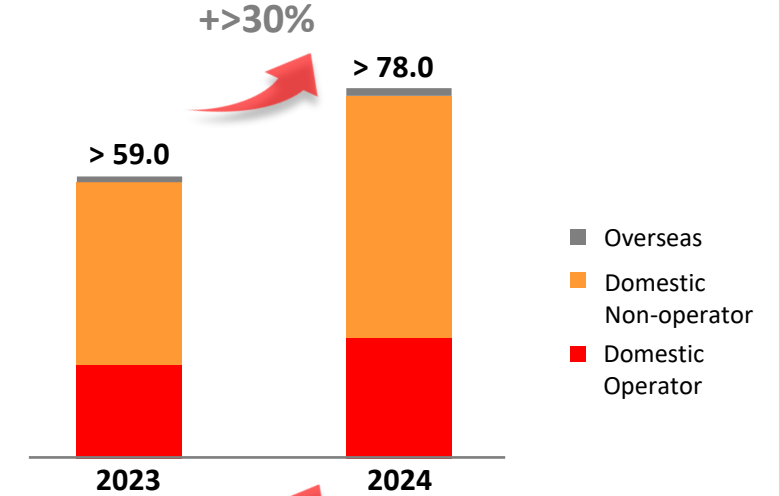
■ **Fundamental Businesses:**(1) engineering construction, supervision, design and other businesses related to traditional communications pipeline, civil construction, equipment installation, etc.; (2) supply chain business of traditional logistics and transportation; (3) traditional pipeline maintenance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



Strategic Emerging Businesses

● New Contracts

(RMB'Bn)



● As a % of Total New Contracts

Proportion
Nearly 30%

Proportion
>37%

- Overseas
- Domestic Non-operator
- Domestic Operator

Strategic Emerging Businesses (2): Thoroughly Developing Four Key Sectors to Seize the Explosive Growth Opportunities in the Industrial Chain Driven by AI.....

Leveraging our Competitive Advantages as a State-owned Enterprise and the Main Force in the Industry



Green and Low-carbon

New Contracts **+>25%**

Customers in industries such as energy, transportation, industrial parks, government, education. We aggressively expanded new energy, energy usage services, and carbon consultation and other businesses, as well as delivered integrated services including design, consultation, construction, and operations and maintenance

290+ (No. of Projects **▲46%**, Contract Value **▲25%**)
Among which,
No. of projects with **size over RMB100 million each:**
7 projects



Smart City

New Contracts **+>40%**

Customers in industries such as government, healthcare, education, and transportation. We vigorously expanded digital government/village, smart hospital, safe campuses, low-altitude economy, smart port/highway and other businesses with service capabilities covering three-tiers of provinces, municipalities and counties

400+ (No. of Projects **▲43%**, Contract Value **▲61%**)
Among which,
No. of projects with **size over RMB100 million each:**
8 projects



Emergency Management and Security

New Contracts **+>30%**

Customers in industries such as emergency management, water conservancy, mining, forestry and grassland, chemical industrial parks. We leveraged self-developed products to expand business in urban production safety, emergency management command, disaster monitoring, etc.

140+ (No. of Projects **▲42%**, Contract Value **▲60%**)
Among which,
No. of projects with **size over RMB100 million each:**
2 projects

We Focus On

Winning Bids
Projects with size over
RMB10 million each

Digital Infrastructure

New Contracts **+>30%**

We focus on customers in industries such as telecom, Internet, government, finance, and energy. We applied innovative AI energy efficiency optimization technology and advanced capabilities in green and low-carbon consultation, design and solution, and vigorously expanded businesses such as large intelligent computing center, low-carbon data center, and 5G

Winning bids : **250+** projects with size over RMB10 million each
(No. of Projects **▲34%**, Contract Value **▲28%**)
Among which,
No. of projects with **size over RMB100 million each:**
21 projects



..... Focusing on Domestic AI Industrial Chain and Accelerating China Comservice's Strategic Deployment in AI



Global AI Software Market Size

USD97.0 Billion¹



China's AI Core Industry Size

RMB600.0 Billion²



Investment and Financing in China's AI Sector

RMB22.8 Billion³

Upstream (Computing Infrastructure)

▶ **Structural realignment in computing power and chip industry:** domestic AI large models have disrupted the traditional development model of "computing power-intensive", driving the demand for private deployment and edge computing power

Midstream (Data Customization)

▶ **Three major domestic telecom operators** announced full integration of DeepSeek
 ▶ **Leading domestic Internet enterprises** announced support for one-click deployment of DeepSeek model
 ▶

Downstream (AI Application Software)

▶ **The plummeting cost has fueled an explosive growth in AI penetration.** Industries such as government affairs, finance, and healthcare have accelerated the integration with domestic AI large models, enabling intelligentization across multiple scenarios, promoting the development of various AI applications to achieve exponential efficiency enhancement across industries

Industry Focus

- **The universality and localization of AI large models** will drive rapid growth in demand for domestic computing infrastructure (including private deployment and public cloud leasing)
- **China Comservice's TIS companies**, positioned as a leading domestic digital infrastructure enterprise, is poised to experience rapid growth in computing power center construction as well as green and low-carbon businesses

- **Domestic large models represented by DeepSeek** will enable enterprises of all sizes to rapidly identify tailored solutions, forming AI+ private knowledge base deployment and application model
- **China Comservice's ACO and BPO companies** will establish a four-in-one data service system of data planning, governance, warehousing and maintenance, and focus on knowledge base development for customers, driving transformation towards data maintenance

- **The free access and open-source of domestic AI large models** will accelerate the research and development and deployment of enterprise level AI applications with different industry application characteristics
- **China Comservice's ACO companies and design institutes** will step up investment in domestic AI applications, cultivating capabilities in both research and development and delivery of AI applications for customers in strategic emerging industries

China Comservice

Cases

- **Large Model Intelligent Dispatch Platform of an Emergency Management Customer**



Guangdong Communications Services' subsidiary built a multi-scenario dispatching intelligent agent based on domestic AI large models, and created XiaoYing Assistant, becoming **the first case of DeepSeek application in the field of government affairs in Guangdong**

- **AIGC Intelligent Supervision**

Jiangsu Communications Services' subsidiary integrated more than 3,000 national standards and other materials based on domestic AI large models to assist in generating **professional supervision consulting plans**, including implementation details, supervision reports, and other project documents

- **Smart Risk Control Application of a Financial Holding Company**

Jiangxi Communications Services' subsidiary integrated standard knowledge bases and other resources synergizing domestic AI large models with traditional risk management systems, and embedded the application scenarios of the whole life cycle risk control management to create a proprietary and controllable **new paradigm of financial risk management**

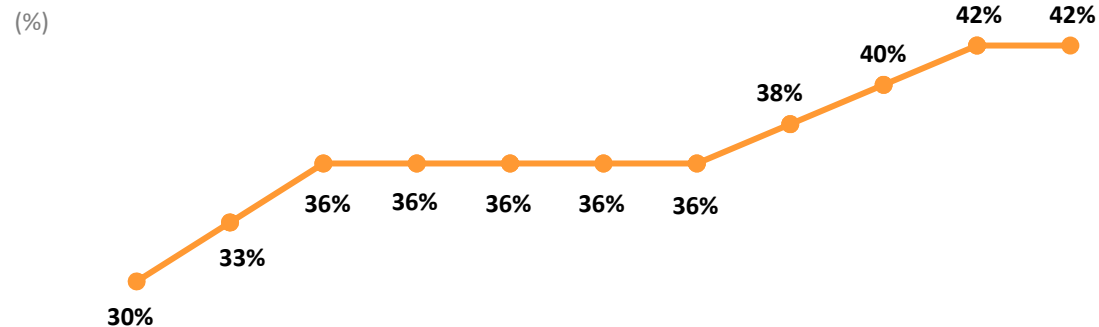
(1) Source: Omdia 2025 Global Market Research Report

(2) Source: Generative Artificial Intelligence Application Development Report (2024) by CNNIC(China Internet Network Information Center)

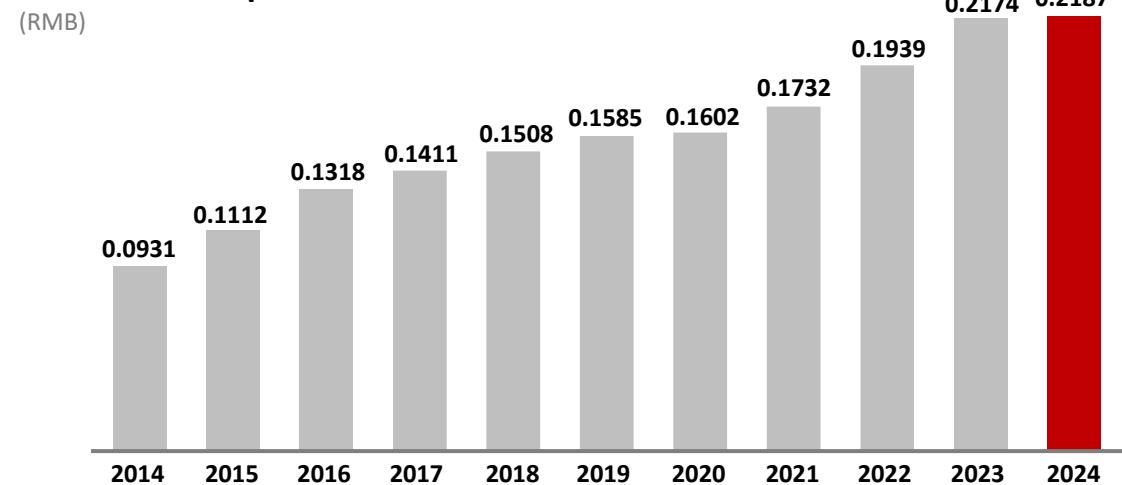
(3) Source: Artificial Intelligence Investment and Finance Market Report 4th quarter 2024 by RIME data

Shareholders' Return Remained Stable with Enhancement

Total Dividend Payout Ratio



Total Dividend per Share

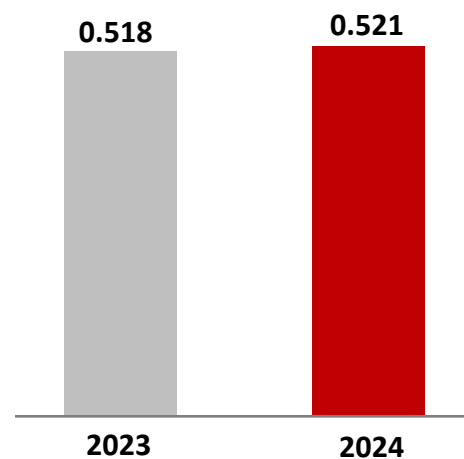


The Board Has Proposed:

- Dividend per Share: **RMB0.2187**
- Dividend Payout Ratio: **42%**

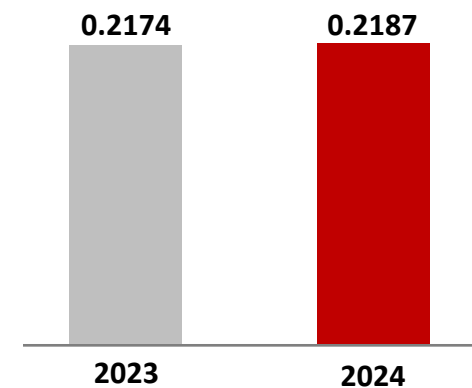
Earnings per Share

(RMB)



Dividend per Share

(RMB)



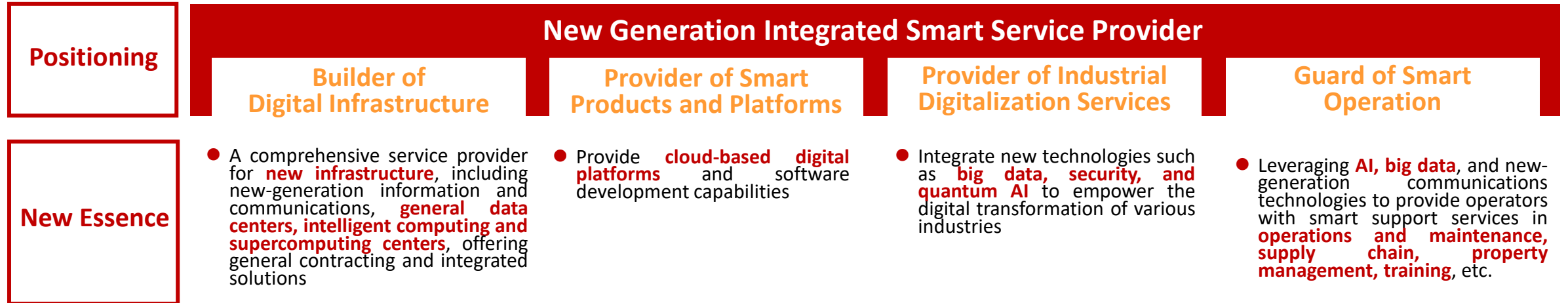
Actively Fulfilling ESG Responsibilities

Accomplishing the Corporate Mission of “Building Smart Society, Boosting Digital Economy, Serving a Good Life”

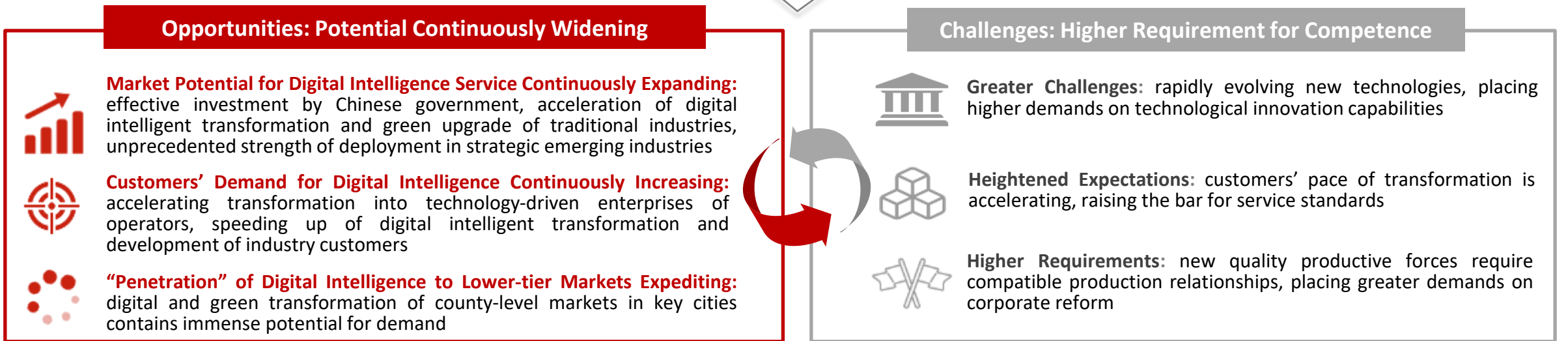
- Being a Constituent of “Hang Seng Corporate Sustainability Benchmark Index” for **Three** Consecutive Years
 - *Corporate Governance Asia* - “Sustainable Asia Award”
 - “The Asset ESG Corporate Awards 2024” - Gold Award
 - *Institutional Investor* - “Best ESG”
 - Wind ESG Rating - AA



Endowing the Strategic Positioning of “1 Positioning, 4 Roles” with New Essence, Building New Leading Advantages in the Industry



Seize Opportunities, Tackle Challenges, Deepen Reform and Innovation Accelerate Corporate Transformation to Achieve Long-term and Steady Growth





Overview



**Business
Review**



Financial
Results

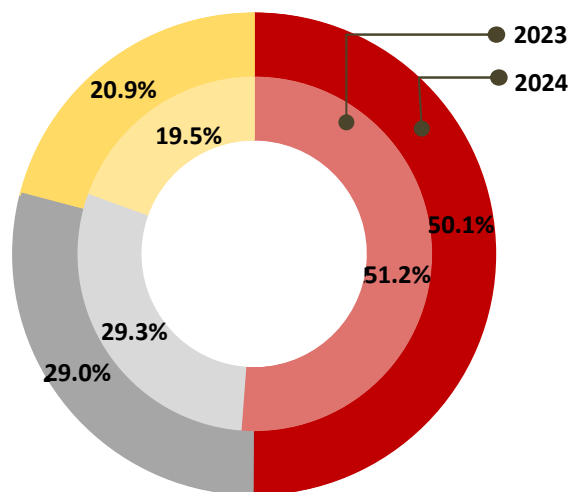
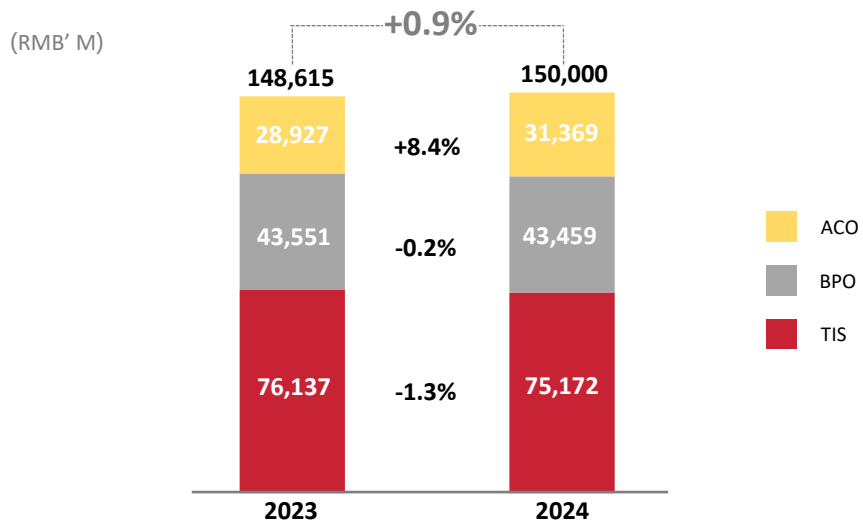
Business Revenue Breakdown

(RMB'M)	2023	2024	Change %	% of Revenue
TIS (Telecommunications Infrastructure Services)				
Design	10,550	9,917	-6.0%	6.6%
Construction	61,188	60,673	-0.8%	40.4%
Supervision	4,399	4,582	4.2%	3.1%
Subtotal	76,137	75,172	-1.3%	50.1%
BPO (Business Process Outsourcing Services)				
Maintenance	18,568	18,755	1.0%	12.5%
Facilities Management	7,885	8,122	3.0%	5.4%
Supply Chain	13,372	13,560	1.4%	9.1%
Products Distribution	3,726	3,022	-18.9%	2.0%
Subtotal	43,551	43,459	-0.2%	29.0%
ACO (Applications, Content and Other Services)				
System Integration	17,528	19,595	11.8%	13.1%
Software Development & System Support	5,979	6,241	4.4%	4.2%
Value-added Services	2,638	2,750	4.2%	1.8%
Others	2,782	2,783	0.02%	1.8%
Subtotal	28,927	31,369	8.4%	20.9%
Total Revenues	148,615	150,000	0.9%	100%
In which: Service Revenue¹	143,437	146,212	1.9%	97.5%

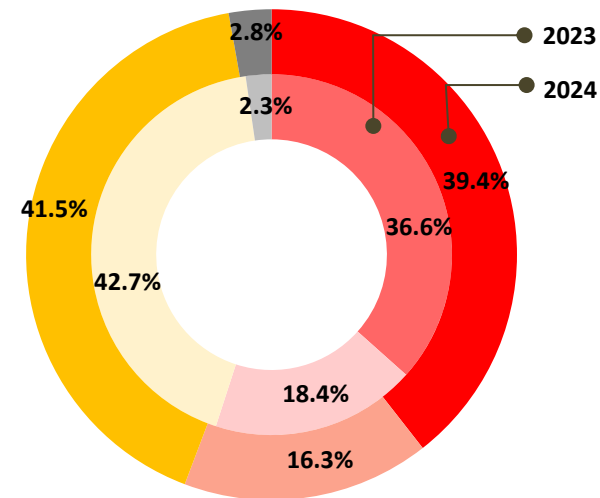
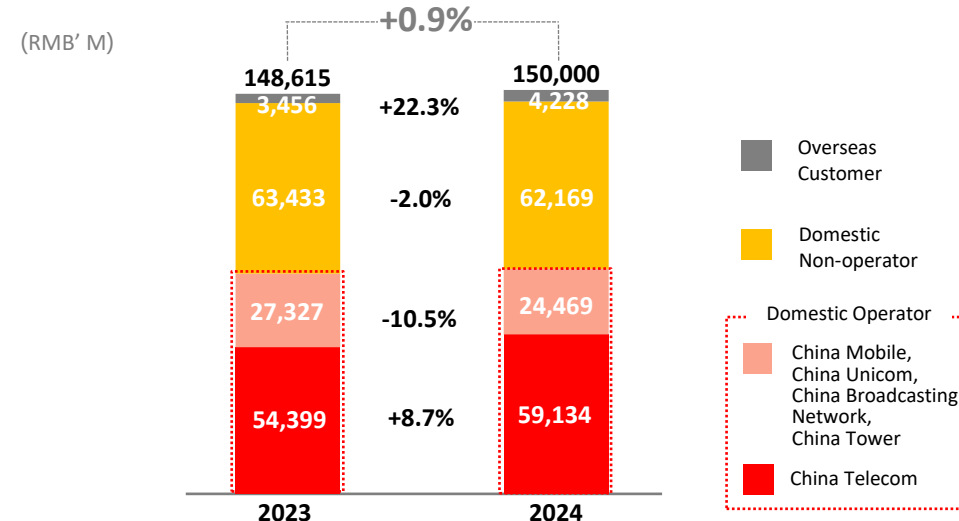
(1) Service Revenue = Total Revenues - Revenue from Products Distribution - Revenue from IT Equipment Supplies in System Integration

Overall Performance by Business and Market

By Business

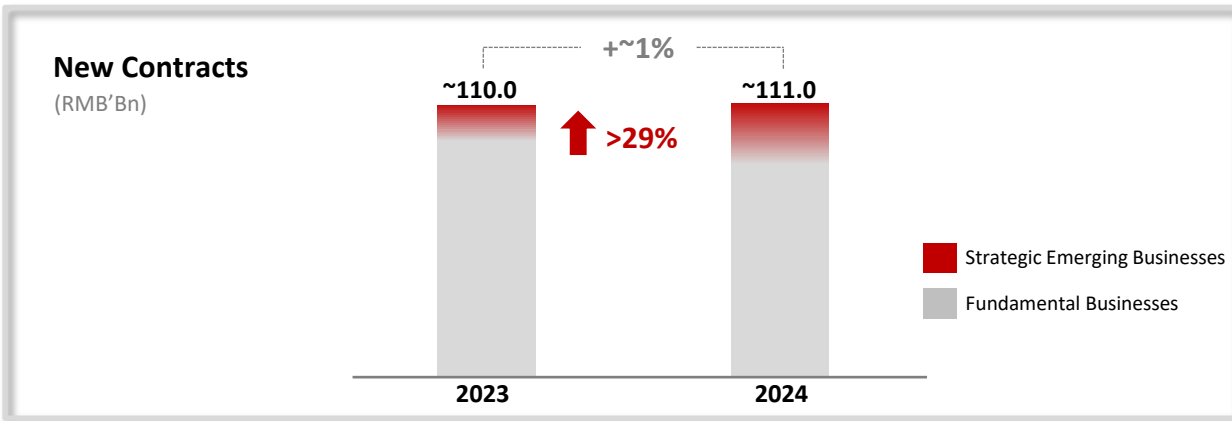
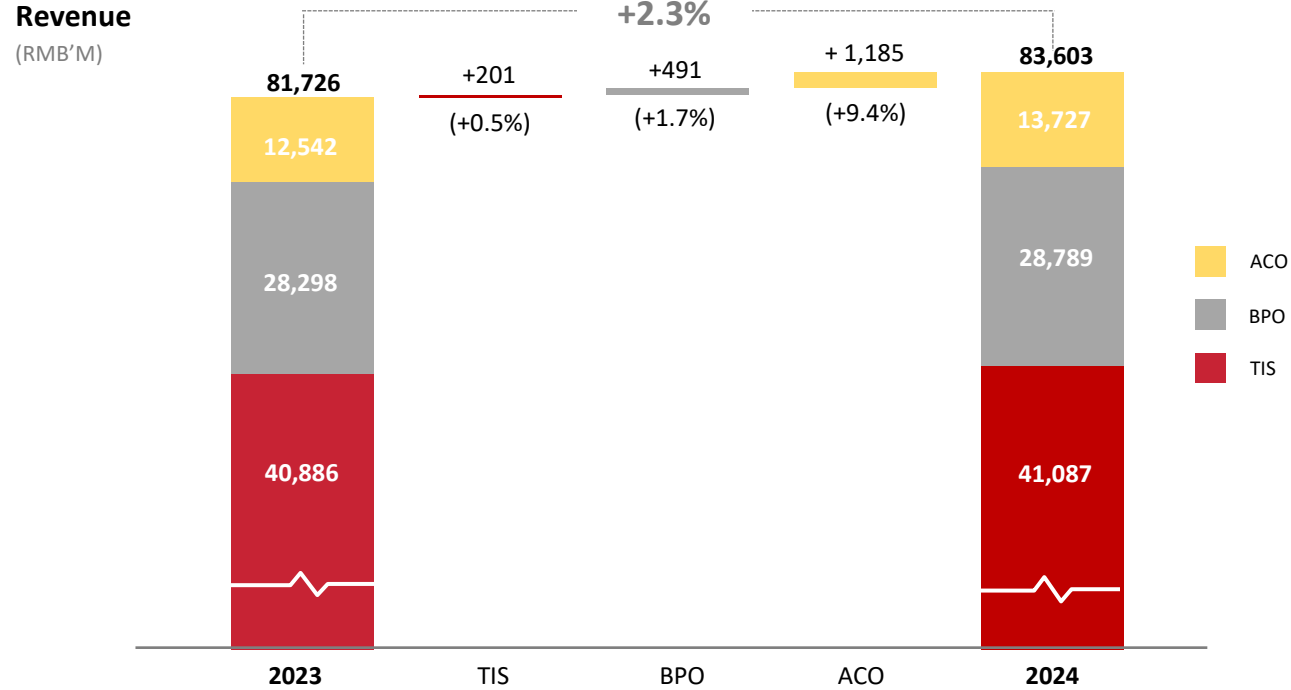


By Market



Domestic Operator Market: Effectively Responded to CAPEX Decline, Overall Revenue Remained Stable with Improvement

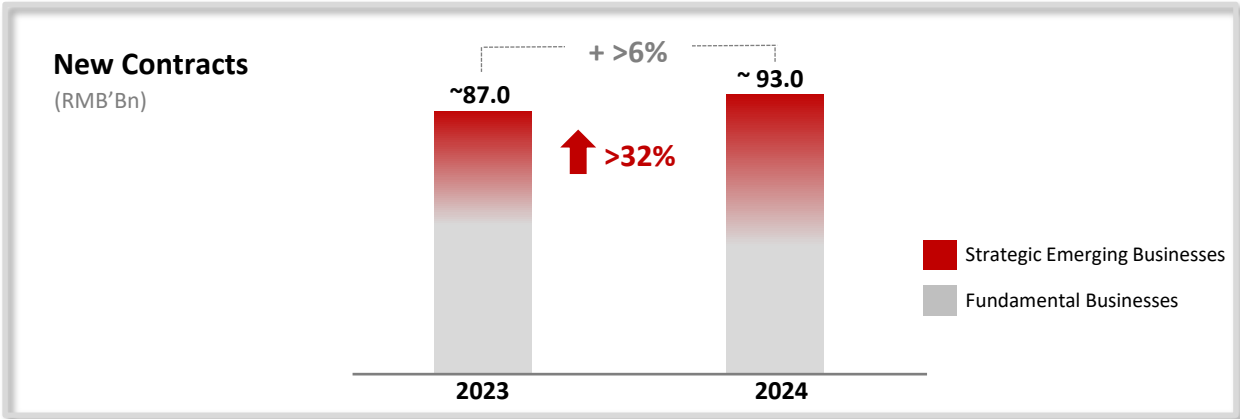
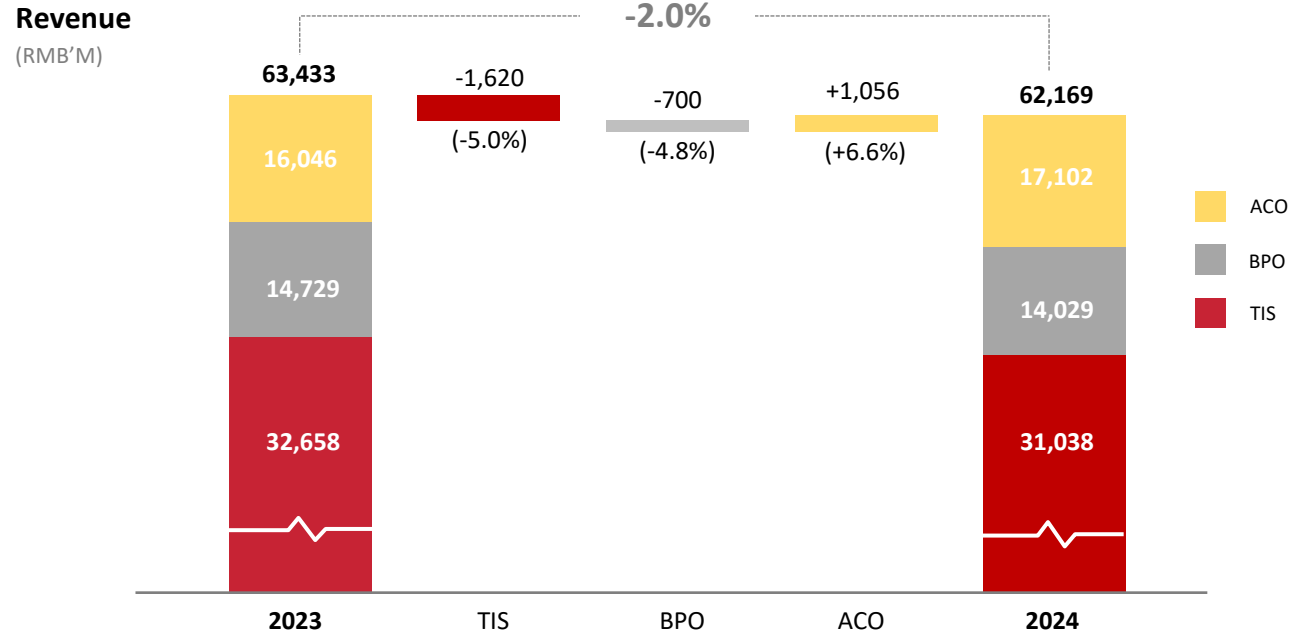
Seized New Demands of Transformation such as Computing Power Infrastructure Construction and Industrial Digitalization



- Adhered to the development strategy of “CAPEX + OPEX + Smart Applications” in the domestic operator market to promote stability of overall revenue
 - ▶ Assisting domestic operators in upgrading new infrastructure, and focusing on demands of green development (including energy-saving renovations, green and low-carbon upgrades, etc.)
 - ▶ Supporting domestic operators to develop industrial digitalization business, expanding the government and enterprise market, ACO business led the growth
 - ▶ Assisting domestic operators to reduce costs and increase efficiency, maintenance and facilities management businesses achieved steady growth
- Deepened strategic cooperation with domestic operators while promoting diversified expansion from traditional fields to strategic emerging industries, thereby achieving relatively fast double-digit growth in new contracts of digital infrastructure and smart city

Domestic Non-Operator Market (1): Strengthened Development Quality and Deeply Cultivated Strategic Emerging Businesses

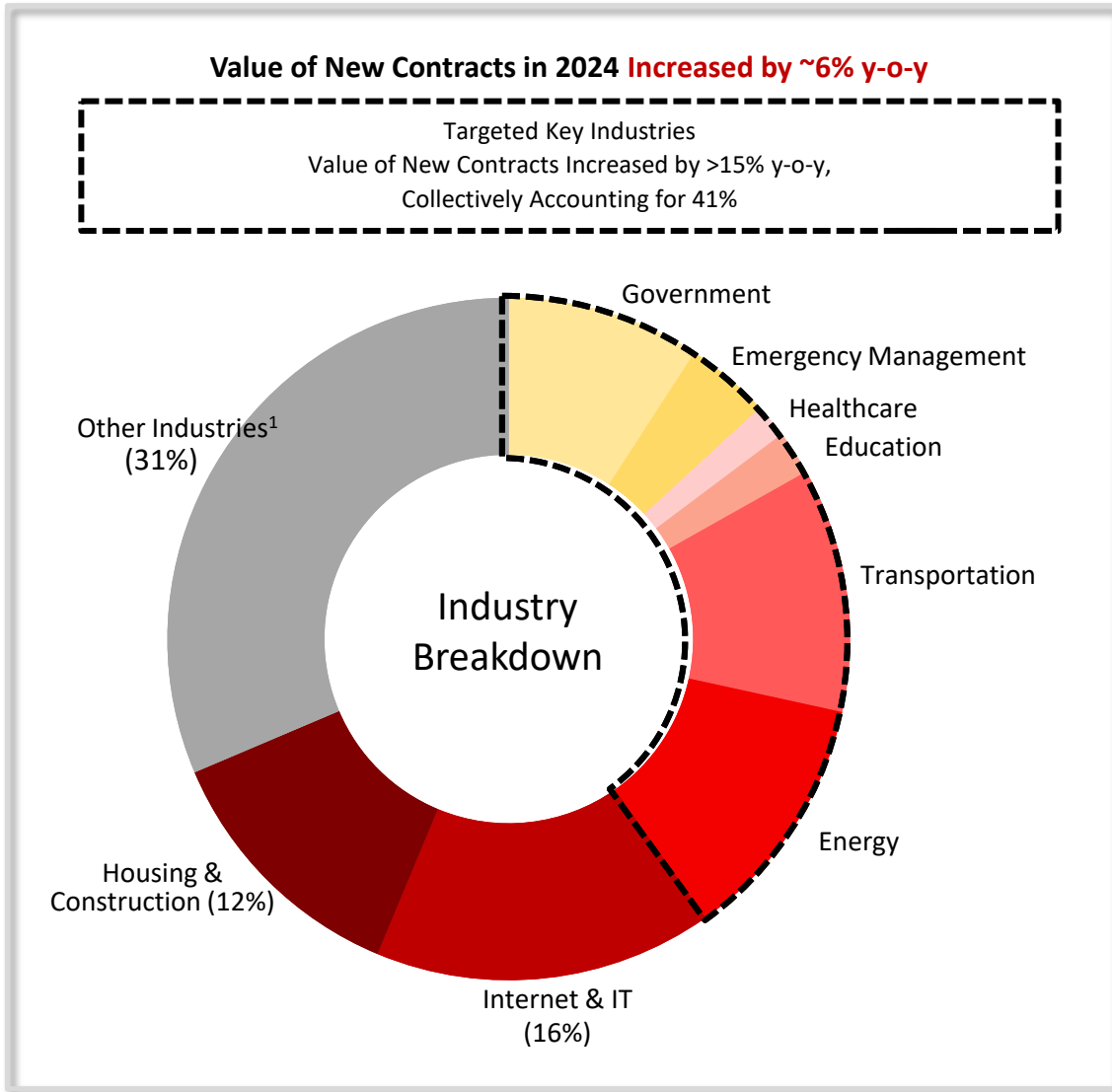
Seized the Opportunities Across Various Industries from the Acceleration of Digital Transformation and Upgrading, Intelligentization, Greening and Security Enhancing



- **Proactively managing and controlling risks while improving business quality**
 - ▶ Maintained stable gross profit margin by proactively reducing low-value businesses
- **Optimizing development in key industries and focusing on strategic emerging businesses to drive the overall development**
 - ▶ **Government:** Digital Government, Smart Government Affairs...
 - ▶ **Emergency Management:** Emergency Management Industry Informatization, Chemical Park ...
 - ▶ **Transportation:** Urban Traffic Informatization, Low-altitude Technical Facilities ...
 - ▶ **Energy:** Energy Saving and Carbon Reduction, Photovoltaic ...
 - ▶ **Education:** Smart Campus, Education Digitalized Platform ...
 - ▶ **Healthcare:** Hospital Informatization ...
 - ▶ **Cultural Tourism:** Smart Scenic Area, Smart Venue ...
- **Providing integrated and whole-process services with “Four Integrations”**
 - ▶ Integration with cloud, AI, security, and platform

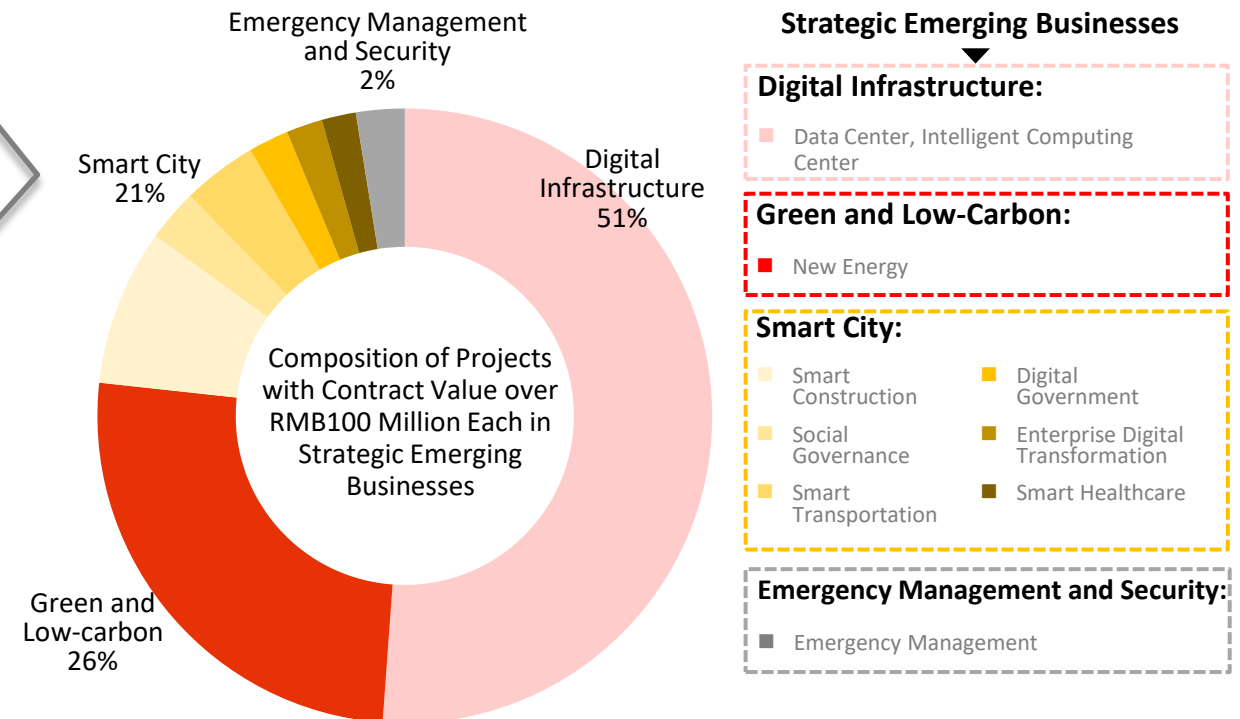
Domestic Non-Operator Market (2): Focused on Industries which We Hold an Edge and Promoted our Advantageous Businesses

Targeted Key Industries while Enhancing the Top-tier Marketing and Expansion of Strategic Emerging Businesses



- **Projects with Contract Value over RMB10 Million Each**
 - ▶ Number of projects ~1,430, +~9% y-o-y
 - ▶ Amount ~RMB43 billion, +~16% y-o-y
- **Projects in Strategic Emerging Industries with Contract Value over RMB100 Million Each**
 - ▶ About half of the projects came from digital infrastructure (including data center, intelligent computing center, etc.)

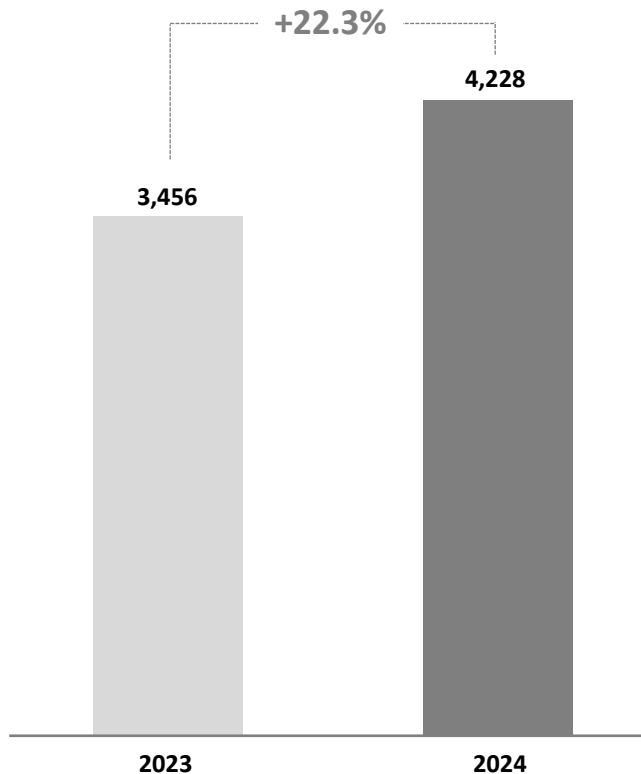
In which



(1) Other industries include finance, cultural, sports and tourism, agriculture, etc.

Overseas Market: Market Deployment Yielded Results with Three Major Businesses Growing Rapidly While Reinforcing Traditional Businesses in Communications, Extended to Electricity and Industrial Digitalization Businesses

Revenue
(RMB'M)



- Seized the opportunities from the joint development of the “Belt and Road” Initiative, as well as the accelerated digitalization, intelligentization and green development in developing countries overseas
- Strengthened the collaboration with “Go Abroad” Chinese enterprises to jointly expand overseas market
- Enhanced the development of full industrial chain ecosystem and industry-academia-research ecosystem
- Consistently achieved breakthroughs in photovoltaic new energy, data centers, as well as informatization and intelligentization projects in regions such as the Middle East and Asia-Pacific

- TIS, BPO and ACO businesses from overseas market achieved rapid growth of over 17%, 22%, and 59% respectively

Overseas Market Deployment



Strategic Emerging Businesses (1): Digital Infrastructure

Seizing the Demand of Large Models and Cloud Computing, Digital Infrastructure Business Achieved Rapid Growth



New Contracts in 2024 Grew by over 30%

Leveraging the Integrated Service Capabilities of Full-process Consultation, Design/General Contracting, Construction and Maintenance, We Focus on the Demand of Intelligent Computing, Supercomputing and Cloud Business, Vigorously Develop Three Major Sectors of Data Center, Cloud Business and 5G+

<p>Cloud Business 25%+</p> <ul style="list-style-type: none"> ● Cloud Consultation/Design ● Cloud Integration/ Migration ● Cloud Operation and Maintenance 	<p>Data Center 25%+</p> <ul style="list-style-type: none"> ● General Data Center ● Intelligent Computing Center ● Supercomputing Center 	<p>5G+ 130%+</p> <ul style="list-style-type: none"> ● 5G + Industrial Internet ● 5G + Customized Network ● 5G + Industrial Application <div style="text-align: center; font-size: 2em; color: red; margin: 10px 0;">➔</div> <ul style="list-style-type: none"> ● Industrial Manufacture ● Energy & Mineral ● Industrial Park ●
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Scan QR Code for Case Details



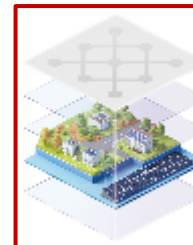
1. A National Hub Computing Power Center Project in the Yangtze River Delta Region
2. Server Room Upgrading Project of an Intelligent Computing Center of a National-level Research Laboratory in a Province
3. Data Middle Platform Upgrade and Multi Domain Data Governance Project of an Energy Group
4. Computing Power and Network Scheduling Platform Project of an Operator



Note: The above data shows the percentage increase of the new contract amounts in 2024 compared to last year.

Strategic Emerging Businesses (2): Green and Low-carbon

Seizing the Opportunities from New Energy Construction and Energy Usage Services, Green and Low-carbon Business Achieved Rapid Growth



New Contracts in 2024 Grew by over 25%

Under the Guidance of the National “Dual Carbon” Strategy, We not only Provide Traditional Electricity Infrastructure and Ancillary Services, but also Provide Upgraded Services Such as New Energy Construction, Energy Usage Services and Carbon Management to Customers in 5 Major Industries

5 Major Industries		Energy and Electricity	Information and Communications	Real Estate and Construction	Industrial Manufacturing	Transportation
Electricity Infrastructure and Ancillary Facilities 20%+ <ul style="list-style-type: none"> ● New electricity system/Communications informatization ● Grid intelligentization/Distribution network design and construction ● Electricity consumption and external power supply design/construction 	New Energy 40%+ <ul style="list-style-type: none"> ● Photovoltaic ● Energy storage ● Wind power 	Energy Usage Services 50%+ <ul style="list-style-type: none"> ● New energy usage facilities (charging pile) ● Energy-saving technology transformation ● Energy management contract 	Carbon Management 300%+ <ul style="list-style-type: none"> ● Dual carbon consultation/planning ● Carbon asset management ● Carbon trading ● Carbon finance 			

Scan QR Code for Case Details



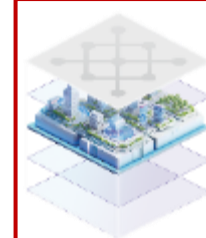
1. Xinjiang New Energy Base Project of a Group
2. “Photovoltaic-Storage-Charging” Integrated Energy Project of an Investment Group
3. Aggregation Response and System Development Project for a Virtual Power Plant in a Municipality
4. New Energy Construction Project of an Airport



Note: The above data shows the percentage increase of the new contract amounts in 2024 compared to last year.

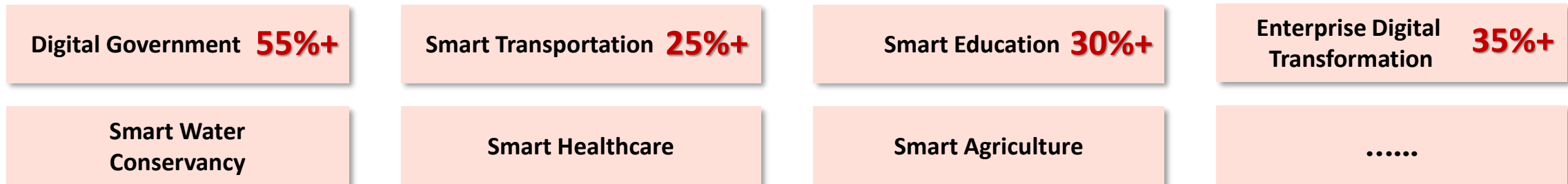
Strategic Emerging Businesses (3): Smart City

Grasping the Opportunity of Digital China Construction, a Series of Smart City Applications Achieved Rapid Growth



New Contracts in 2024 Grew by over 40%

Led by Top-level Planning of Smart City, We Empower Smart Government Affairs, Urban Governance, Industrial Economy, Livelihood Services and Other Fields by Giving Full Play to Our Integrated Capability of Consultation + General Contracting + Software + Platform + Service



Scan QR Code for Case Details



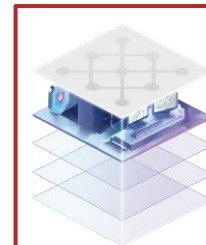
1. A National-level Comprehensive Transportation Information Platform Project for a River
2. Smart System Project Phase II of a Large Park in Beijing
3. Smart Project Phase II of a Large Conference Center
4. Smart City EPC Construction Project in a County in Shaanxi Province



Note: The above data shows the percentage increase of the new contract amounts in 2024 compared to last year.

Strategic Emerging Businesses (4): Emergency Management & Security

Forging Core Products for Cybersecurity and Emergency Management



New Contracts in 2024 Grew by over 30%

Cybersecurity

We developed over 40 proprietary and controllable products and solutions to safeguard the security of key information infrastructure

Undertook multiple cybersecurity projects such as security consultation and design, integrated implementation, operations and maintenance, and offensive and defensive drills in the fields of cybersecurity, data security, 5G security, and visual networking security, etc.

Network Security Products

Attack Surface Management / Exposure Surface Mapping
Intelligent Security Operations and Management
Vulnerability Crowd-sourcing Detection Management...

Data Security Products

Data Security Monitoring Management
Cryptography Application, Digital Certificate
Undesirable Information Monitoring and Governance ...

Emerging Security Products

5G Security Simulation Range
Blockchain Security Smart Terminal
Secure and Trustworthy Video Surveillance...

Emergency Management

We focused on the capability in disaster prevention, mitigation and relief, as well as emergency response to public incidents, providing one-stop informatization service support capabilities for emergency management

Seized the opportunity presented by national bonds to undertake various emergency management projects in safety production as well as disaster prevention and mitigation

Urban Public Safety Businesses

Fire protection, Housing and Construction, etc.

Industrial Production Safety Businesses

Emergency Management, Industrial Information, Transportation, etc.

Natural Ecological Safety Businesses

Water Conservancy, Environment, Forestry and Grassland, etc.

Scan QR Code for Case Details



1. Design and Construction General Contracting Project for Flood Control Dispatch Emergency Command Platform in a Municipality
2. Construction Project for Major Disaster Risk Prevention and Control of a Provincial-level Mine
3. Construction and Operation of a Security Operation and Intelligent Scheduling Center for a Cloud Service Provider
4. A Provincial-level Government Affairs Cloud Cryptography Service Platform Project



Note: The above data shows the percentage increase of the new contract amounts in 2024 compared to last year.

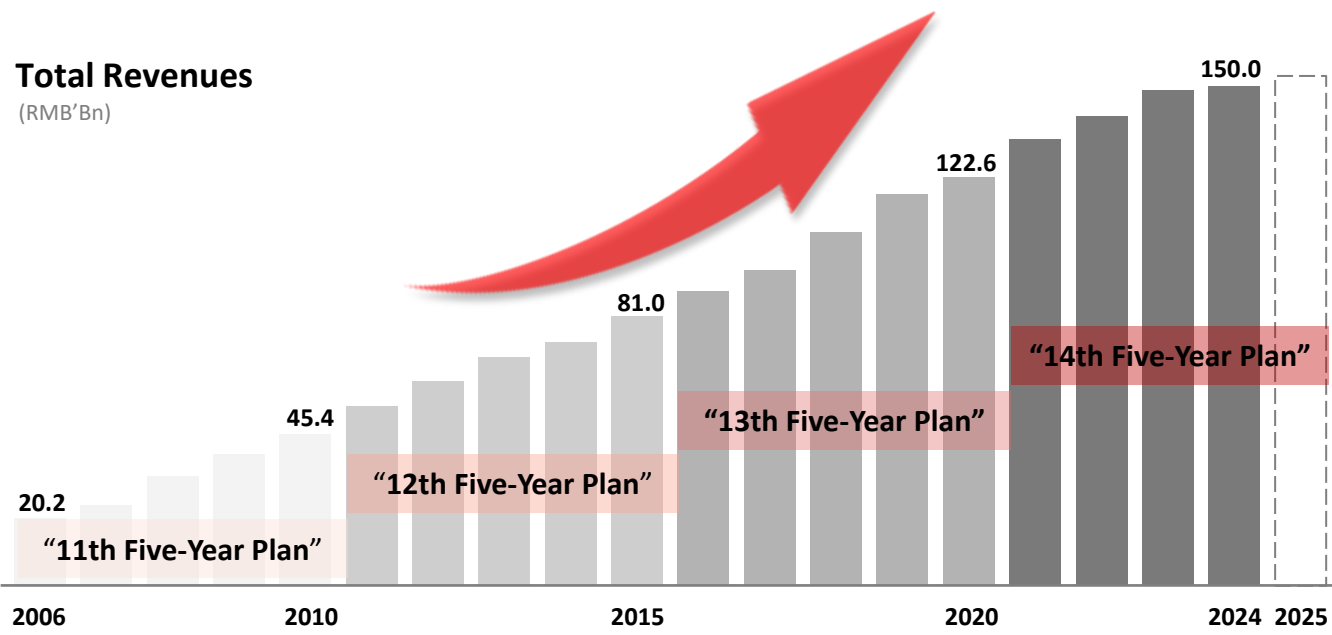
Persisting in High-quality Development Strategy to Achieve Sustainable Development

Adhering to the Overall Roadmap of “Value-driven, Seeking Steady yet Progressive Growth and High-quality Development”

... Informatization ... Digitalization ... Intelligitization, Green Transformation ... AI...
 ... 3G ... 4G ... 5G

Total Revenues

(RMB'Bn)



Completion Status During 2021-2024

Total Revenues	Maintained Steady Growth	<input checked="" type="checkbox"/>
Business Mix	Proportion of High-value Businesses Increased Steadily	<input checked="" type="checkbox"/>
Gross Profit Margin	Gradually Stabilized and Rebounded	<input checked="" type="checkbox"/>

Major Development Initiatives in 2025

- Drive Development** Strengthen and optimize development in the three major customer markets
 Persistently cultivate strategic emerging businesses
- Optimize Innovation** Insist on driving growth through technological innovation
 Build core capability advantages
- Promote Reform** Deepen reform in key areas
 Strengthen the momentum for high-quality development

Listing of China Comservice



Overview



Business
Review



**Financial
Results**

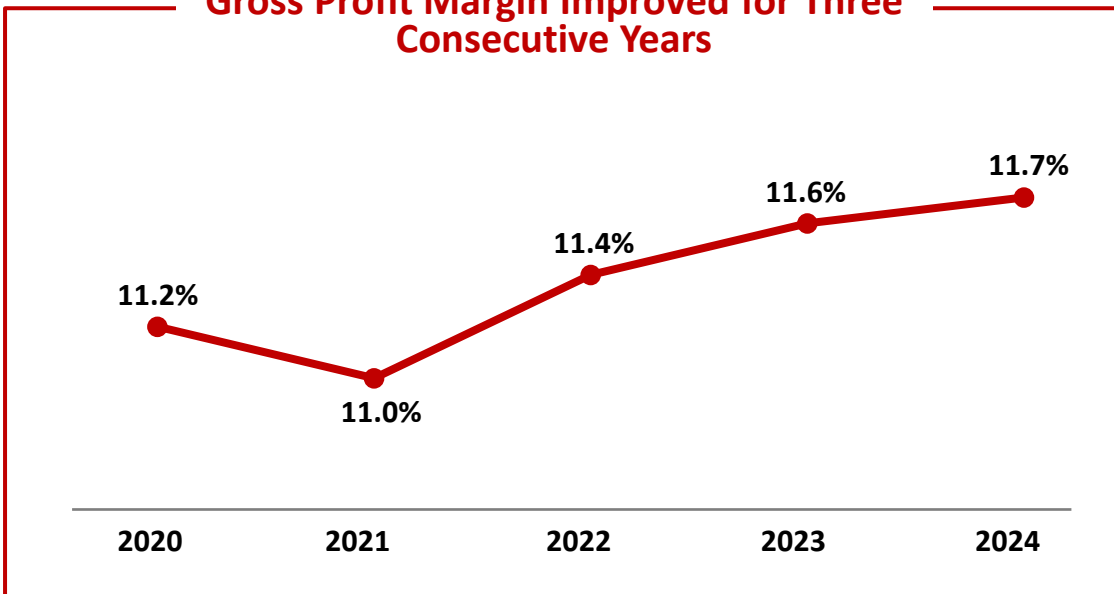
Key Financial Indicators

(RMB'M, Except EPS)

	2023	2024	Change %	% of Revenue
Revenue	148,615	150,000	0.9%	100%
Cost of Revenue	131,358	132,404	0.8%	88.3%
Direct Personnel Costs	8,644	8,208	-5.0%	5.5%
Materials Costs	24,671	25,579	3.7%	17.0%
Direct Cost of Products Distribution	3,518	2,815	-20.0%	1.9%
Subcontracting Charges	80,233	80,406	0.2%	53.6%
Depreciation and Amortization	1,017	1,026	0.8%	0.7%
Others	13,275	14,370	8.2%	9.6%
Gross Profit	17,257	17,596	2.0%	11.7%
SG&A Expenses	14,913	15,054	0.9%	10.0%
Net Profit	3,584	3,607	0.6%	2.4%
EPS(RMB)	0.518	0.521	0.6%	-
Free Cash Flow	4,333	5,214	20.4%	-

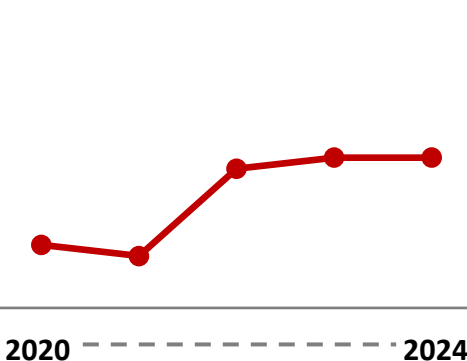
Operating Efficiency

Gross Profit Margin Improved for Three Consecutive Years

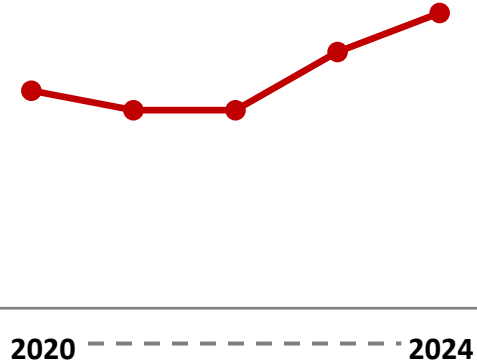


► In recent years, both domestic operator and domestic non-operator markets have been demonstrating a steady and positive trend of gross profit margins

Domestic Non-operator Market



Domestic Operator Market



Implemented High-quality Development Strategy

Focused on enhancing core competencies and strove to expand into high-value sectors



Optimized Revenue Mix

Strengthened technological innovation to drive business development, the revenue contribution from businesses with high gross profit margin increased

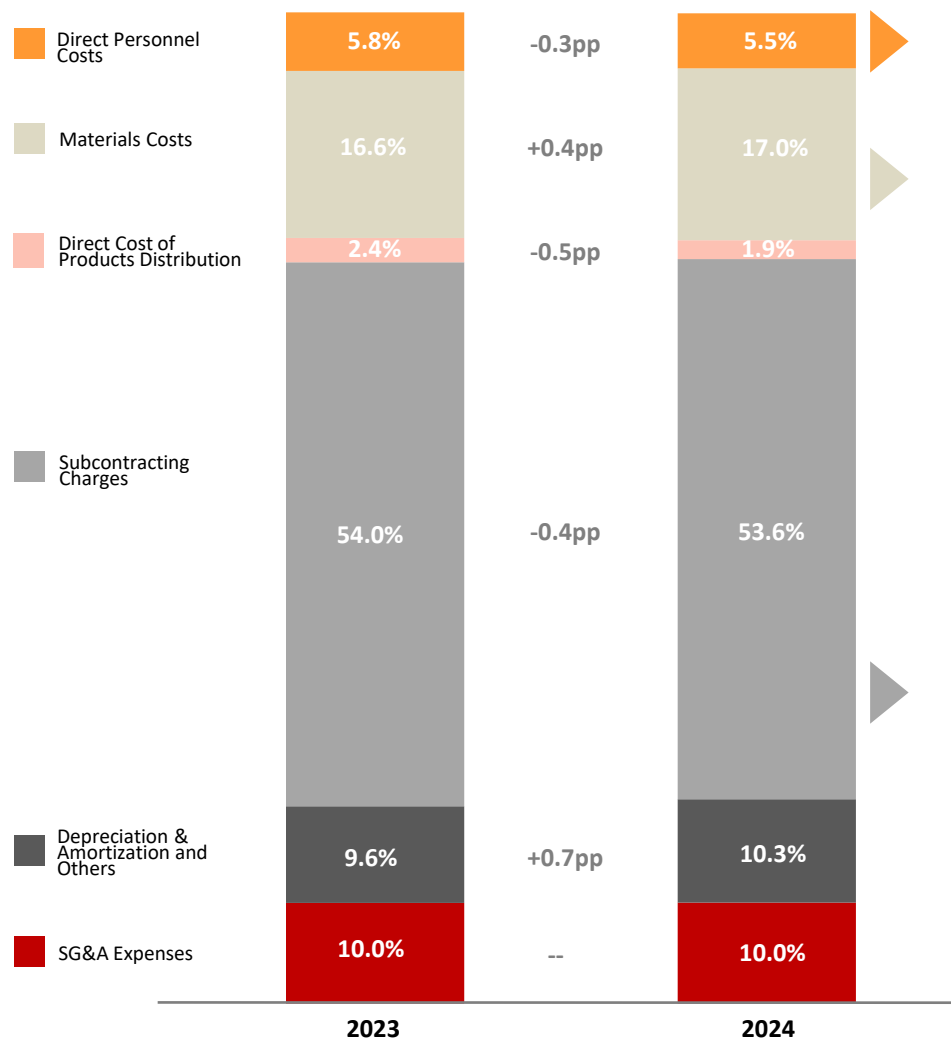


Strengthened Measures for Quality and Efficiency Enhancement

Strengthened project management and cost control on materials costs, subcontracting charges, etc., and enhanced operational efficiency through digital tools

Cost Structure

Cost/Expense as a % of Revenue



Continuously Optimized Employee Mix

- Rationally controlled the total number of employees, increased the per capita labor cost steadily and enhanced labor productivity



Strengthened the Control of Materials Costs

- By implementing centralized procurement and improving the management of centralized procurement, materials costs grew at a more reasonable pace, up by 3.7% y-o-y (2023: 13.9%)



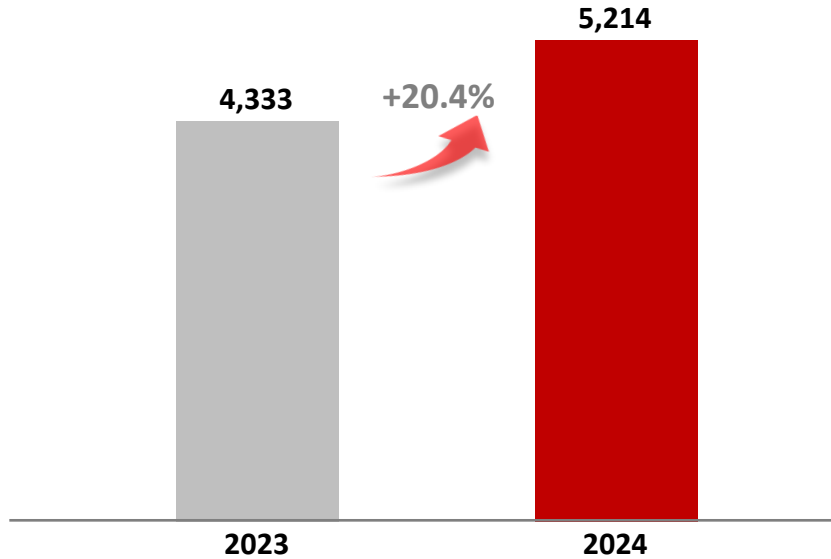
Effectively Controlled Subcontracting Charges

- By enhancing self-sufficient delivery capability, utilizing IT system to reinforce the whole-process management, strengthening system construction and analysis, subcontracting charges grew by 0.2% y-o-y (2023: 4.8%)

Cash Flow

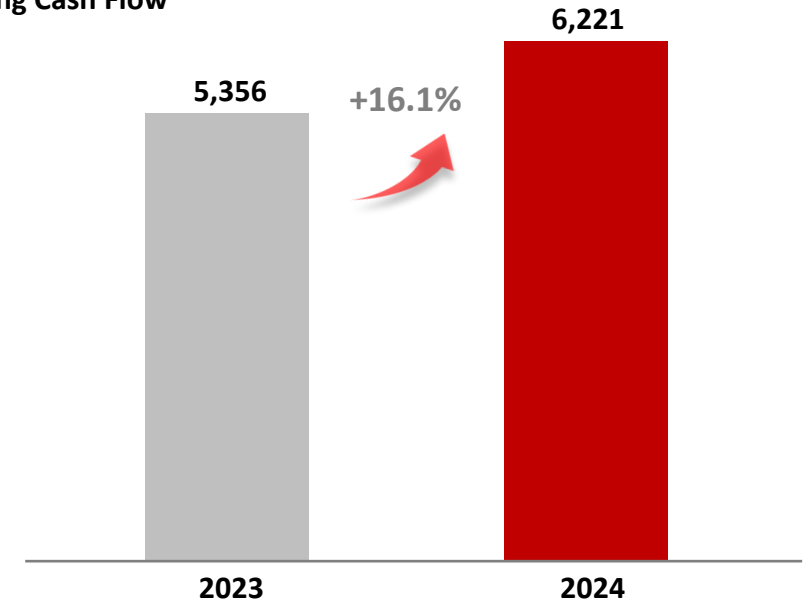
Free Cash Flow

(RMB'M)



Operating Cash Flow

(RMB'M)



Continue to Effectively Manage Working Capital with an Emphasis on Whole-process Control in Business Operations

- ▶ Emphasized the pre-bid project evaluation, customer credit rating, project delivery quality, accounts receivable collection, and budget management of projects
- ▶ Placed greater emphasis on the collection of long-term accounts receivable, and enhance collection through methods such as appraisal and guidance
- ▶ Effectively managed cash collection and payment

Financial Position

(RMB'M)	31.12.2023	31.12.2024
Total Assets	121,790	136,618
In which: Cash and Deposits ¹	35,460	38,110
Accounts Receivable and Contract Assets	52,505	63,064
Total Liabilities	78,122	90,004
In which: Accounts Payable and Contract Liabilities	62,954	75,085
Interest-bearing Liabilities	861	706
Equity Attributable to Equity Shareholders of the Company	42,577	45,436
Total Liabilities/Total Assets (%)	64.1%	65.9%
Gearing Ratio (%)²	2.0%	1.5%

(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.

Embracing New Technologies, Seizing New Opportunities,
and Pursuing New Breakthroughs

MOVE FORWARD WITH INNOVATION

SUSTAIN LONGEVITY WITH QUALITY

Focusing on “Effective Improvement in Quality” and Fostering Stable and
Sustainable Long-term Growth for the Enterprise

Ai

5G



Thank You!

Corporate Governance Asia “14th Asian Excellence Award”

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

Institutional Investor “2024 Asia Executive Team Rankings”

- Most Honored Company
- Telecommunications (Small & Midcap)
 - Best CEO
 - Best CFO
 - Best IR Professional
 - Best IR Program
 - Best ESG

The Asset “The Asset ESG Corporate Awards 2024”

- Gold Award
- Best Investor Relations Team

“2024 Forbes Global 2000” Rank 1,429th

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



Appendix

Business Revenue Breakdown – by Market

(RMB'M)	2023	2024	Change	Change %
TIS (Telecommunications Infrastructure Services)				
Domestic Operator	40,886	41,087	201	0.5%
Domestic Non-operator	32,658	31,038	-1,620	-5.0%
Overseas Customer	2,593	3,047	454	17.5%
Subtotal	76,137	75,172	-965	-1.3%
BPO (Business Process Outsourcing Services)				
Domestic Operator	28,298	28,789	491	1.7%
Domestic Non-operator	14,729	14,029	-700	-4.8%
Overseas Customer	524	641	117	22.3%
Subtotal	43,551	43,459	-92	-0.2%
ACO (Applications, Content and Other Services)				
Domestic Operator	12,542	13,727	1,185	9.4%
Domestic Non-operator	16,046	17,102	1,056	6.6%
Overseas Customer	339	540	201	59.5%
Subtotal	28,927	31,369	2,442	8.4%
Total Revenues	148,615	150,000	1,385	0.9%

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.