

Continental Holdings Corporation (TWSE: 3703) Reports 1H21 EPS of \$0.98

Continental Holdings Corporation (CHC) today (August 6th) reported financial results of its fiscal year 2021 second quarter. The Company posted consolidated revenue of NT\$11,945M in first half 2021, an increase of 33.6% year over year; operating profit was NT\$1,061M, a 36.8% increase from the prior year. Net profit came in at NT\$803M and grew by 8.2% year over year. EPS for 2021 first half was NT\$0.98.

CHC's consolidated revenue in 1H21 grew by 33.6% compared to the same period in 2020, and all three business segments delivered year-over-year revenue growth this period as well. Real Estate Development Business (Continental Development Corporation) saw the most advancement, mainly due to revenue from completed projects such as *55Timeless* and *Treasure Garden*. Environmental Project Development Business (HDEC Corporation) also grew significantly, mainly fueled by construction of *Anping Reclaimed Water Plant* and *Tongluo Science Park Wastewater Treatment Plant Phase II EPC*. Construction Business (Continental Engineering Corporation) saw its growth mostly from *Taoyuan MRT Green Line GC01 Section* and other private sector construction projects.

CHC's operating profit grew 36.8% year over year in the first half of 2021 driven by revenue increase. However, cash dividend of NT\$56M deferred to the third quarter due to postponed AGM of an investee company resulted from COVID-19 impact, and an one-time income tax benefit of NT\$71M last year resulted in only a 8.2% year-over-year net profit increase in first half. Without the impact of aforementioned factors, CHC's 1H21 net profit booked a significant growth.

CHC remained with a high volume level of backlog, and as of the end of second quarter Construction Business and Real Estate Development Business both increased its backlog quarter on quarter. As of June 30, 2021, backlog for Construction Business came to NT\$67.0B, translating to 4.8 times of its revenue for fiscal 2020. Total signed contracts to close of Real Estate Development Business summed up to NT\$16.7B, equivalent to 2.9 times of its revenue for fiscal 2020. Contracts on hand for Environmental Project Development Business totaled NT\$39.8B and was approximately 12.8 times of its revenue for fiscal 2020.

About CHC

Continental Holdings Corporation (CHC, TWSE: 3703) is the first holding company in Taiwan to integrate Civil & Building Construction, Real Estate Development, and Environmental Project Development businesses. CHC's major subsidiaries include: Continental Engineering Corporation, Continental Development Corporation, and HDEC Corporation. CHC establishes the group's business development strategy, provides financial support, and integrates group resources to help subsidiaries increase competitiveness and focus on core businesses. In addition to pursuing revenue and profit growth, CHC strives to enhance corporate governance, develop talent, and lead ESG-related initiatives. CHC aims to thrive alongside the community and meet expectations of shareholders, stakeholders, and the public, as well as maximize enterprise value. For more details about CHC, please refer to the following website. <http://www.continental-holdings.com/en>