



CONTINENTAL 欣陸投控
HOLDINGS CORPORATION

Continental Holdings Corporation

3703.TT

2021 Third Quarter Earnings Conference

November 8th, 2021

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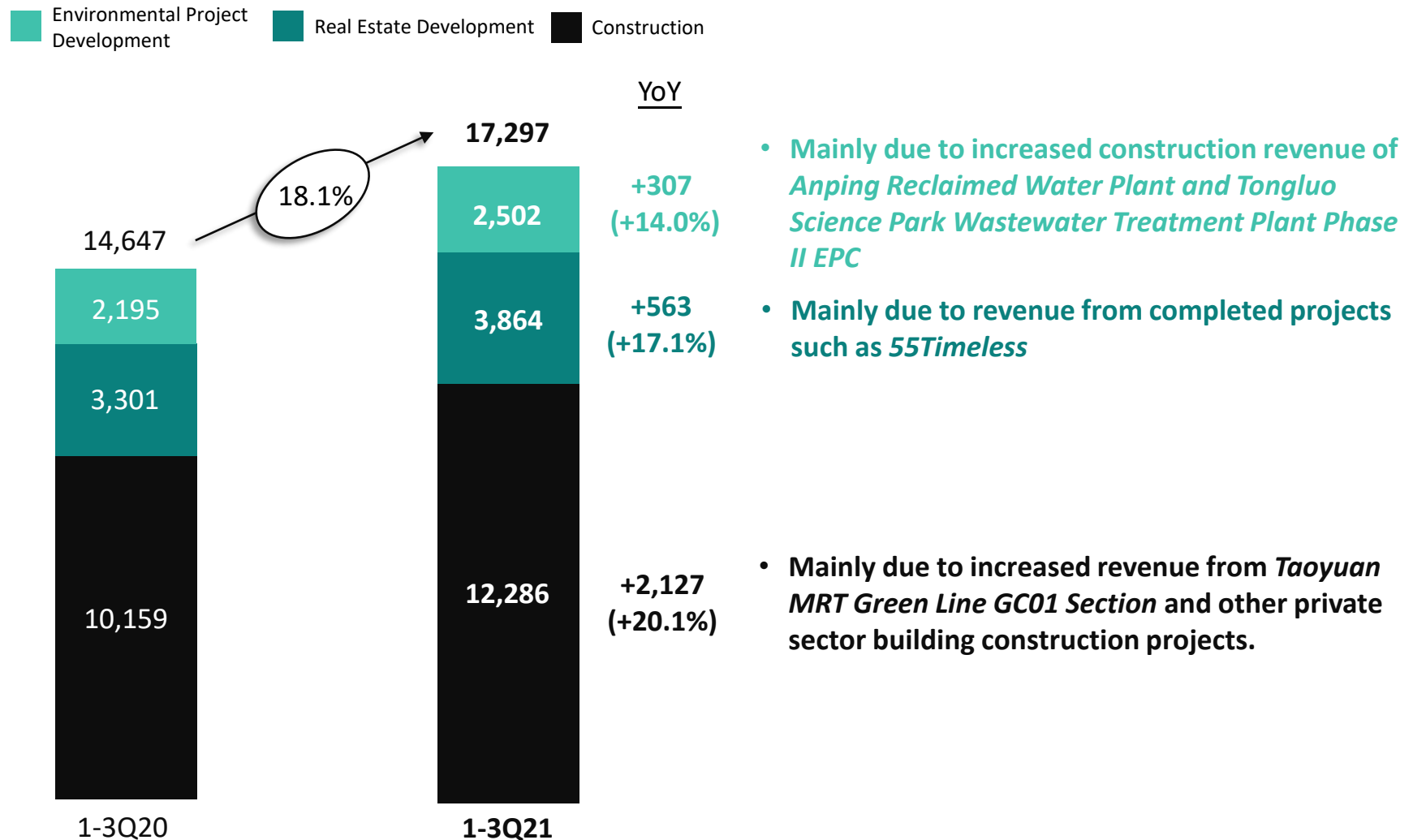
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Year-over-year growth for revenue and operating profit in 1-3Q21

<i>Selected Items from Income Statement</i> <i>(In NT\$ millions unless otherwise noted)</i>	1-3Q21	1-3Q20	YoY
Total Revenue	17,297	14,647	+18.1%
Gross Profit	2,355	2,268	+3.8%
Gross Margin	13.6%	15.5%	-1.9 ppt
Operating Expense	1,006	1,006	-0.0%
Operating Profit	1,349	1,262	+6.9%
Operating Profit Margin	7.8%	8.6%	-0.8 ppt
Non-Ops	(99)	(26)	+276.1%
Net Profit, attributable to owners of parent	991	1,133	-12.6%
Net Profit Margin	5.7%	7.7%	-2.0 ppt
EPS (NT\$)	1.20	1.38	-12.6%

Double digit growth in revenue across all segments in 1-3Q21

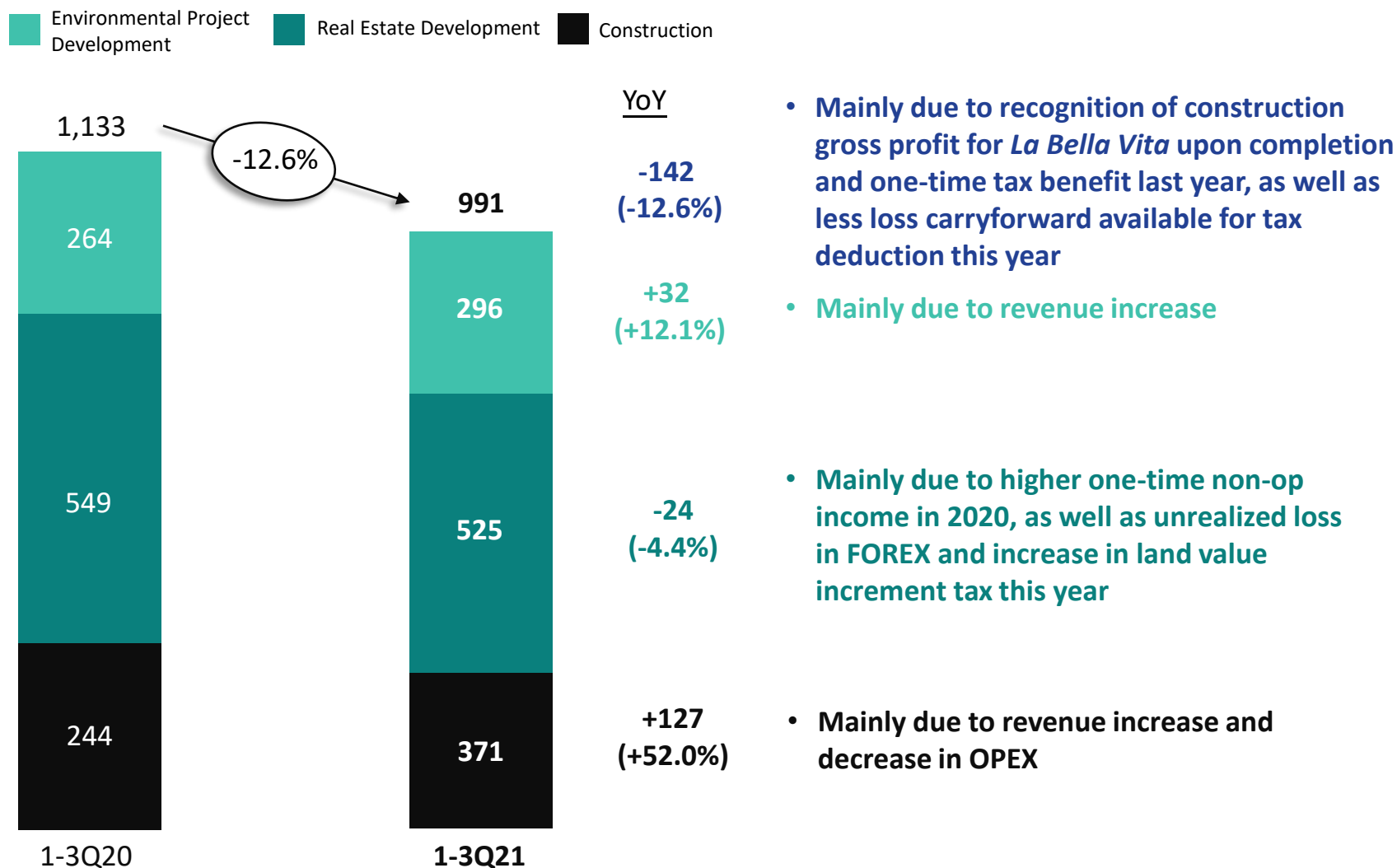
Consolidated Revenues of CHC and each Business Segments (NT\$ M)



*Consolidated revenue of three business segments do not add up to CHC's consolidated revenue because of eliminations

Profit growth in Construction and Environmental Project Development segments in 1-3Q21

Net Profit of CHC and each Business Segments (NT\$ M)



* Net profit denotes net profit attributable to owners of parent;
 Net profit of three business segments do not add up to CHC's net profit because of eliminations

Strong balance sheet

<i>Selected Items from Balance Sheet (NT\$ M)</i>	2021.9.30		2020.12.31		2020.9.30	
	Amount	%	Amount	%	Amount	%
Cash and Cash Equivalents	4,131	6.0	4,512	6.7	4,034	6.0
Current Contract Assets	4,042	5.8	3,892	5.8	4,420	6.6
Account Receivable, Net	2,239	3.2	2,036	3.0	1,767	2.6
Inventories	28,899	41.8	28,363	42.2	29,150	43.7
Property, Plant and Equipment	2,491	3.6	2,346	3.5	2,256	3.4
Investment Property, Net	10,432	15.1	10,193	15.2	10,046	15.1
Long-term Accounts Receivables	7,017	10.1	5,808	8.6	5,885	8.8
Total Assets	69,174	100	67,155	100	66,722	100
Short-term Interest-bearing Loans	12,240	17.7	12,811	19.1	11,674	17.5
Current Contract Liabilities	8,460	12.2	8,121	12.1	8,004	12.0
Accounts and Notes Payable	5,230	7.6	5,784	8.6	5,394	8.1
Long-term Interest-bearing Loans	12,434	18.0	9,099	13.5	10,058	15.1
Total Liabilities	42,347	61.2	40,235	59.9	40,146	60.2
Total Equity	26,827	38.8	26,920	40.1	26,576	39.8

Solid backlog of three business segments

Construction

Backlog

NT\$63.5B

4.5x of 2020 Revenues

- **-NT\$3.5B** QoQ, mainly due to delay of new public sector contract bids resulted from insufficient budget

Real Estate Development

Signed contracts to close

NT\$18.0B

3.1x of 2020 Revenues

- **+NT\$1.3B** QoQ, mainly due to new signed contracts from domestic/overseas pre-sell projects

Environmental Project Development

Contracts on hand

NT\$39.1B

12.6x of 2020 Revenues

- **-NT\$0.7B** QoQ, mainly due to delay of new contract bids from government this quarter

Note:

1. Backlog and contract numbers are as of end of third quarter, 2021; Revenues numbers are 2020 consolidated revenues
2. Contracts on hand for Environmental Project Development business are calculated based on contract terms and project status. Actual recognized revenue amount may vary based on final execution for each project.

Pipeline of Real Estate Development Business – Residential

Project Name	Location	Type	Residence Value ¹ (NT\$)	Estimated Timeline ²				
				2021	2022	2023	2024	2025
Bountiful Journey Sold out	Taipei	Residence/ Hotel (by My Humble House Group)	8.20B (Retail included)	V				
Drawing the Dream Life Sold out	New Taipei	Residence	2.84B		V			
Timeless and Modern Expression Sold out	Taipei	Residence	2.39B			V		
Tianjin Street Project Sold out	Taipei	Residence	2.23B			V		
Arranging New Asia Bay ³ Sold out	Kaohsiung	Residence/ Hotel (Hotel Nikko)	3.51B			V		
Sensuous Garden	Taipei	Residence/ Hotel (Hyatt Centric)	4.50B					V
Prologue Eternal	Taipei	Residence	4.50B					V
Belle Époque	Taichung	Residence/ Office	4.10B					V
Dakeng Project	Taichung	Township Community	3.54B					V
SERIF ⁴	San Francisco, CA, USA	Residence/ Hotel (The LINE Hotel)	US\$240M	V				
Bangsar Project ⁴	Kuala Lumpur, Malaysia	Residence	MY\$170M					V

- (1) Total residence value amounts for JV and subsidiary-owned projects; otherwise residence value amounts attributable to CDC. (2) Actual amounts for sold-out projects; otherwise estimated residence value amounts.
- Denotes the year in which the project would start handover and recognize revenues.
- Owned by JV between Daiwa House Group (65%) and CDC (35%)
- Owned by CDC subsidiaries; 54.08% and 60% stake in the project companies for SERIF and Bangsar Project, respectively.

Pipeline of Real Estate Development Business – Hotel

Hotel Products



**Hotel by
My Humble House Group¹**
Taipei, Taiwan
Completion in 2021



The LINE Hotel²
San Francisco, CA, USA
Scheduled opening in 2022



Capri by Fraser²
Kuala Lumpur, Malaysia
Scheduled opening in 2022



Hotel Nikko³
Kaohsiung, Taiwan
Scheduled opening in 2023

Estimated total value NT\$22B

1. Leased to My Humble House Group for rental income
2. Owned by CDC subsidiaries and managed by THE LINE Hotel and Capri by Fraser respectively. CDC owns 54.08% and 55% stake in each project company respectively.
3. Owned by JV between Daiwa House Group (65%) and CDC (35%) and managed by Hotel Nikko

Strategically and financially synergistic portfolio poised for growth

Construction

- Profitability over revenue
- Participate in the civil portion of the emerging energy related projects
- Use technology to enhance safety and to improve productivity

Real Estate Development

- Diversify into other cities beyond Taipei/Taichung
- Cultivate more project in the commercial sector (office, etc.)

Environmental Project Development

- Well poised to gain more reclaimed water projects
- Ally with partners to enter incinerator business
- Leverage existing anaerobic digestion capabilities to enter bio-mass energy business

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