



CONTINENTAL 欣陸投控
HOLDINGS CORPORATION

Continental Holdings Corporation

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2022 Second Quarter Earnings Conference

August 3rd, 2022

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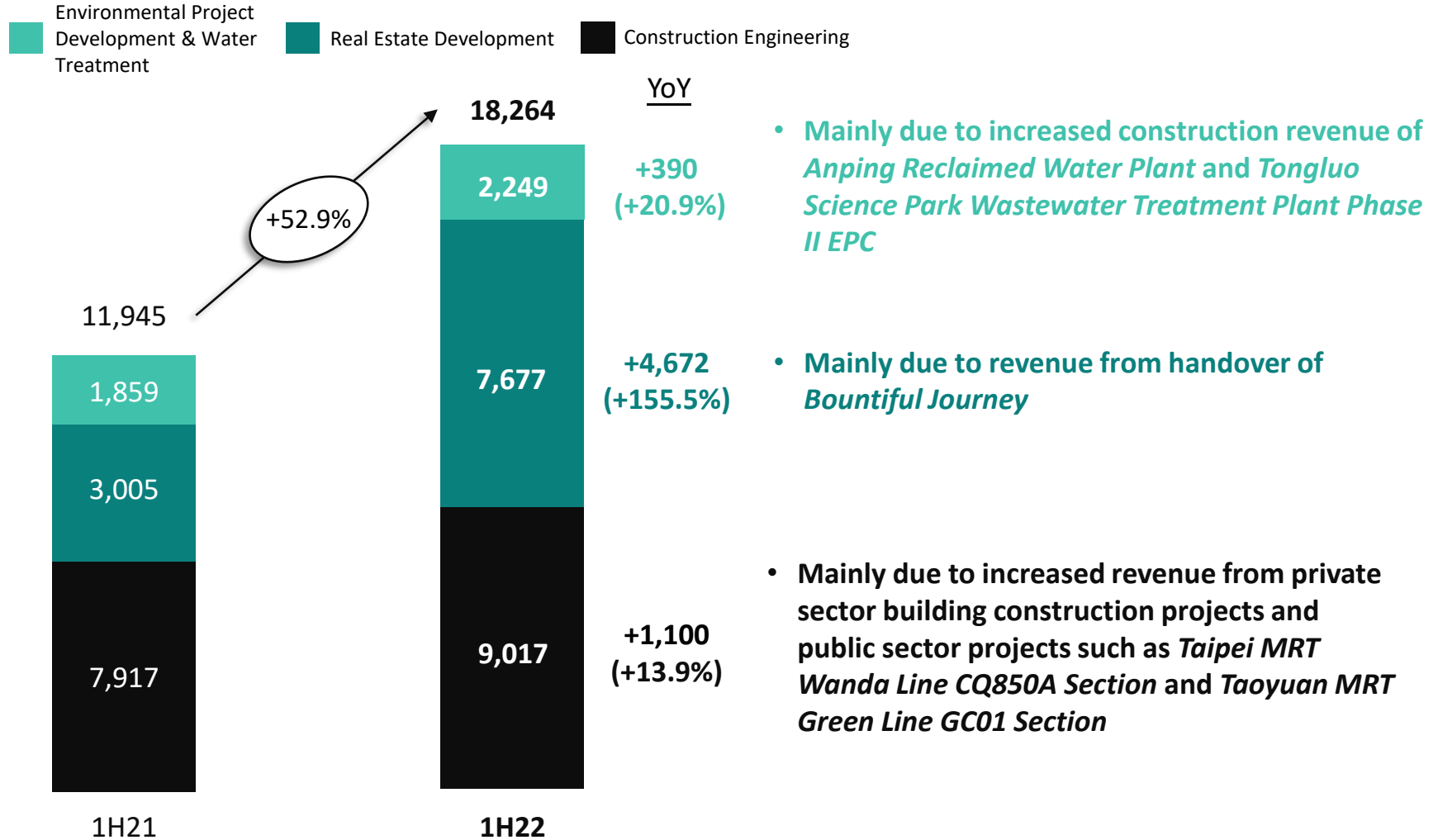
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1H22 Revenue and Gross Margin Grew Significantly, Driving Net Profit to a New High for First Half

<i>Selected Items from Income Statement</i> <i>(In NT\$ millions unless otherwise noted)</i>	1H22	1H21	YoY
Total Revenue	18,264	11,945	+52.9%
Gross Profit	3,321	1,750	+89.8%
Gross Margin	18.2%	14.6%	+3.6 ppt
Operating Expense	909	689	+31.9%
Operating Profit	2,412	1,061	+127.3%
Operating Profit Margin	13.2%	8.9%	+4.3 ppt
Non-Ops	(96)	(98)	-2.0%
Net Profit, attributable to owners of parent	2,180	803	+171.5%
Net Profit Margin	11.9%	6.7%	+5.2 ppt
EPS (NT\$)	2.65	0.98	+171.5%

Revenue Growth across all Three Segments in 1H

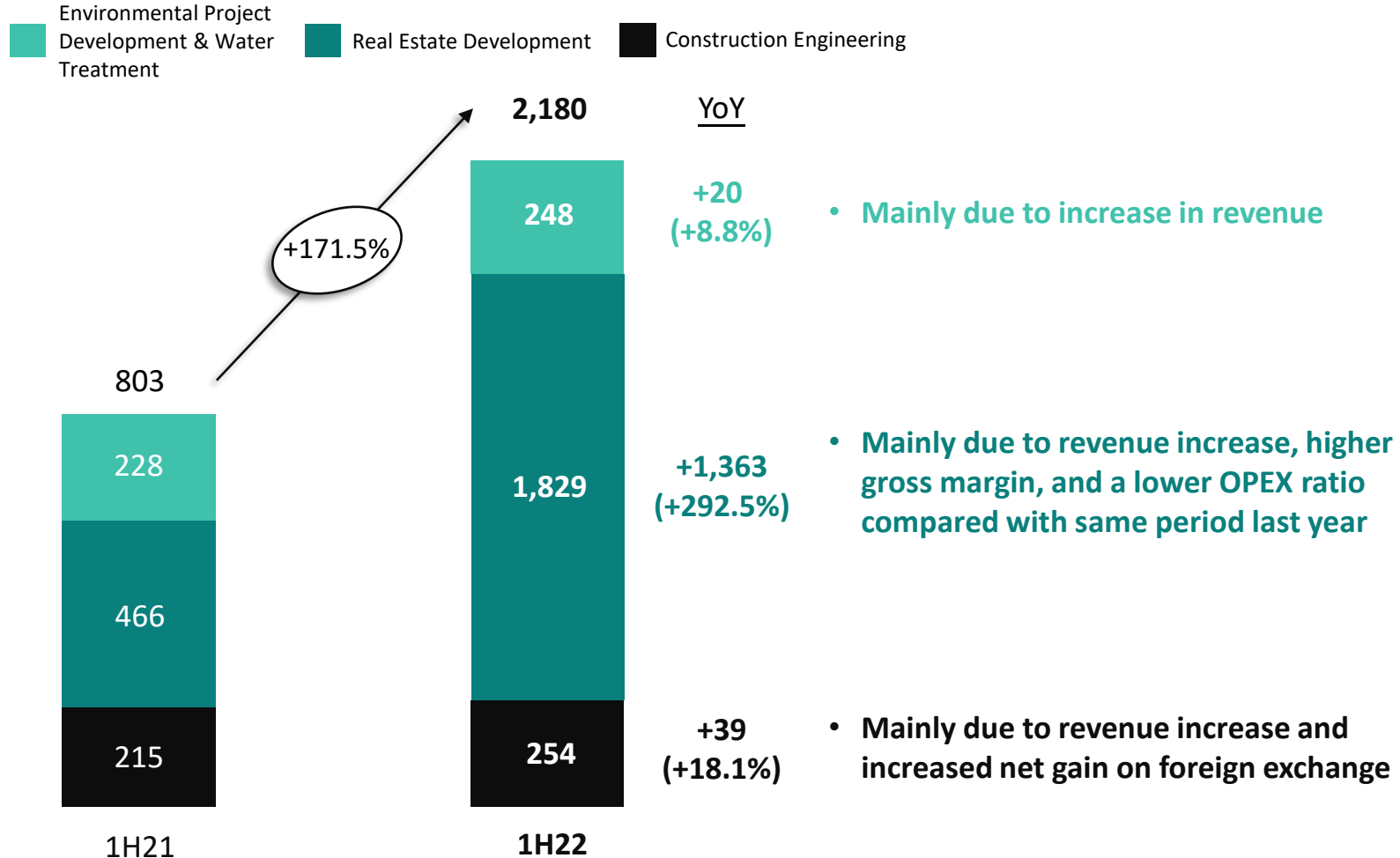
Consolidated Revenues of CHC and each Business Segment (NT\$ M)



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

Net Profit Growth Mainly Came from Real Estate Development Segment in 1H

Net Profit of CHC and each Business Segment (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>	2022.6.30		2021.12.31		2021.6.30	
	Amount	%	Amount	%	Amount	%
Cash and Cash Equivalents	5,921	8.5	5,207	7.4	4,846	7.0
Current Contract Assets	5,081	7.3	4,344	6.2	3,832	5.5
Account Receivable, Net	2,075	3.0	3,153	4.5	2,442	3.5
Inventories	27,195	38.9	28,517	40.5	28,474	41.0
Property, Plant and Equipment	4,294	6.1	4,379	6.2	2,416	3.5
Investment Property, Net	8,669	12.4	8,684	12.3	10,431	15.0
Long-term Accounts Receivables	5,719	8.2	5,443	7.7	6,748	9.7
Total Assets	69,924	100	70,390	100	69,459	100
Short-term Interest-bearing Loans	11,282	16.1	11,379	16.2	12,296	17.7
Current Contract Liabilities	7,657	11.0	8,760	12.4	8,225	11.8
Accounts and Notes Payable	5,985	8.6	6,990	9.9	5,521	7.9
Long-term Interest-bearing Loans	11,005	15.7	11,979	17.0	11,380	16.4
Total Liabilities	40,966	58.6	42,611	60.5	42,327	60.9
Total Equity	28,958	41.4	27,778	39.5	27,132	39.1

Solid Backlog of Three Business Segments

Construction Engineering

Backlog

NT\$73.8B

4.3x of 2021 Revenues

- **+NT\$4.3B** QoQ, mainly due to newly acquired Cross Harbour Tunnel Construction Work for the *N-WH Project*

Real Estate Development

Revenue backlog

NT\$14.6B

1.8x of 2021 Revenues

- **-NT\$1.6B** QoQ, mainly due to handover of completed projects such as *Bountiful Journey*

Environmental Project Development & Water Treatment

Contracts on hand

NT\$37.4B

10.6x of 2021 Revenues

- **-NT\$1.1B** QoQ, mainly due to no new contract bid win

Note:

1. Backlog and contract numbers are as of end of June, 2022; Revenues denotes each business segment's 2021 consolidated revenues
2. Revenue backlog for Real Estate Development Business includes signed contracts to close and revenues to be recognized under percentage of completion method
3. Contracts on hand for Environmental Project Development & Water Treatment Business are calculated based on contract terms and project status. Actual recognized revenue amount may vary based on final execution for each project.

Residential Project Pipeline of Real Estate Development Business – Completion and Pre-sell

Project Name	Location	Type	Residence Value ¹ (NT\$)	Begin Recognition in 2021	Estimated Timeline ²			
					2022	2023	2024	2025
Bountiful Journey	Sold out Taipei	Residence/ Hotel (Humble Boutique Hotel)	8.20B (Retail included)	V				
SERIF ³	San Francisco, CA, USA	Residence/ Hotel (The LINE Hotel)	US\$240M	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 ⁴	Sold out Kaohsiung	Residence/ Hotel (Hotel Nikko)	3.51B			V		
Sensuous Garden	Taipei	Residence/ Hotel (Hyatt Centric)	4.62B					V
Prologue Eternal	Taipei	Residence	4.50B					V
Belle Époque	Taichung	Residence/ Office	4.70B					V
Bangsar Project ³	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 CDC subsidiaries; 54.08% and 60% stake in the project companies for SERIF and Bangsar Project, respectively. Bangsar project is expected to launch pre-sell in 2022.
- Owned by JV between Daiwa House Group (65%) and CDC (35%)

Residential Project Pipeline of Real Estate Development Business – In Development

Project Name	Location	Type	Estimated Timeline*
			2026 and beyond
Dagui Section, Beitun District (Located in <i>Dakeng Scenic Area</i>)	Taichung City	Township Community	V
Houjin Section, Qianjin District (Current site for Ambassador Hotel Kaohsiung)	Kaohsiung City	In Development	V
Intercontinental Section, Beitun District (Across <i>Ssu Chang Li Park</i>)	Taichung City	In Development	V
Tonghua Section, Daan District (Near <i>MRT Xinyi Anhe Station</i>)	Taipei City	In Development	V
Jiangzicui Section, Banqiao District (Across <i>Siwei Park</i>)	New Taipei City	In Development	V
Xinya Section, Banqiao District (Near <i>MRT Far Eastern Hospital Station</i>)	New Taipei City	In Development	V

* Denotes the year in which the project would start handover and recognize revenues

Hotel Project Pipeline of Real Estate Development Business

Hotel Products



Humble Boutique Hotel¹
Taipei, Taiwan
In operation



The LINE Hotel²
San Francisco, CA, USA
Scheduled opening in Sep.



Capri by Fraser²
Kuala Lumpur, Malaysia
In operation



Hotel Nikko³
Kaohsiung, Taiwan
Scheduled opening in 2023

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

Recap of Recent Business Development and Major Events

- **Business development**

- Acquired Cross Harbour Tunnel Construction Work for N-WH Project from Ministry of National Defense Armaments Bureau (2022/5)
- Land purchase of Jiangzicui Section, Banqiao District, New Taipei City (2022/5);
co-development and land purchase of Xinya Section, Banqiao District, New Taipei City (2022/6)

- **FY2021 cash dividend paid (2022/7/29)**

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