



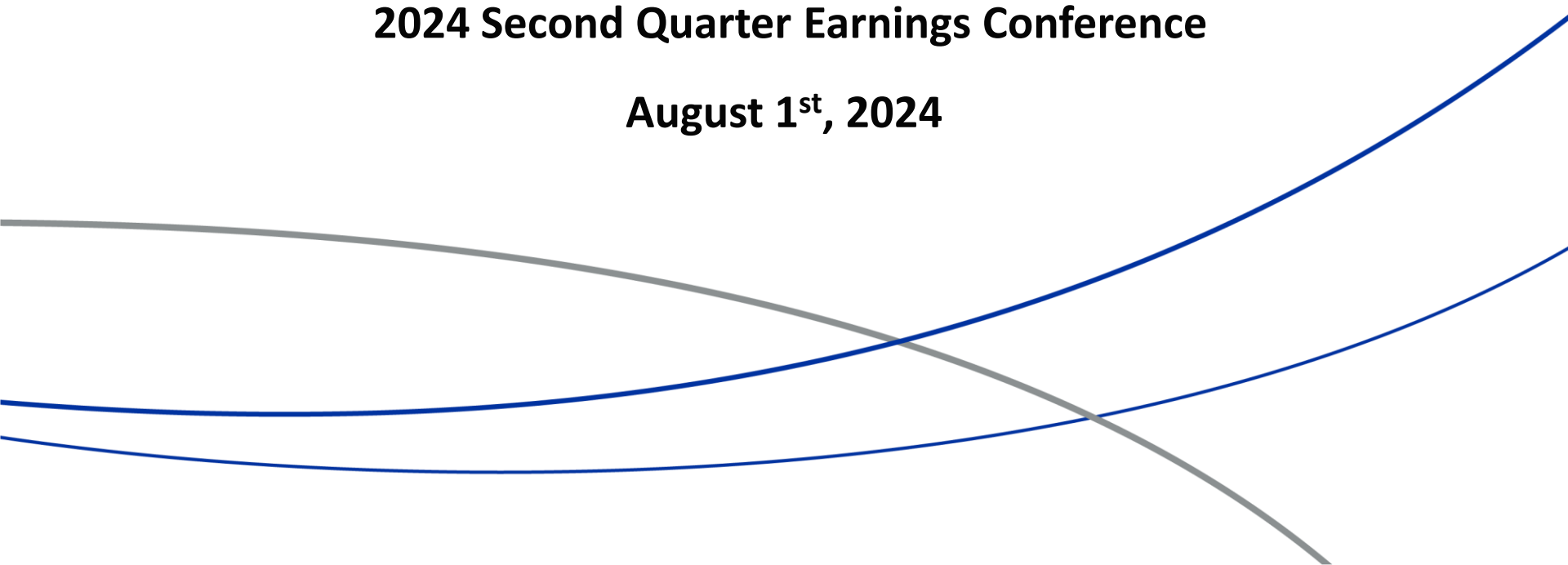
CONTINENTAL 欣陸投控
HOLDINGS CORPORATION

Continental Holdings Corporation

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2024 Second Quarter Earnings Conference

August 1st, 2024



Disclaimer Statement

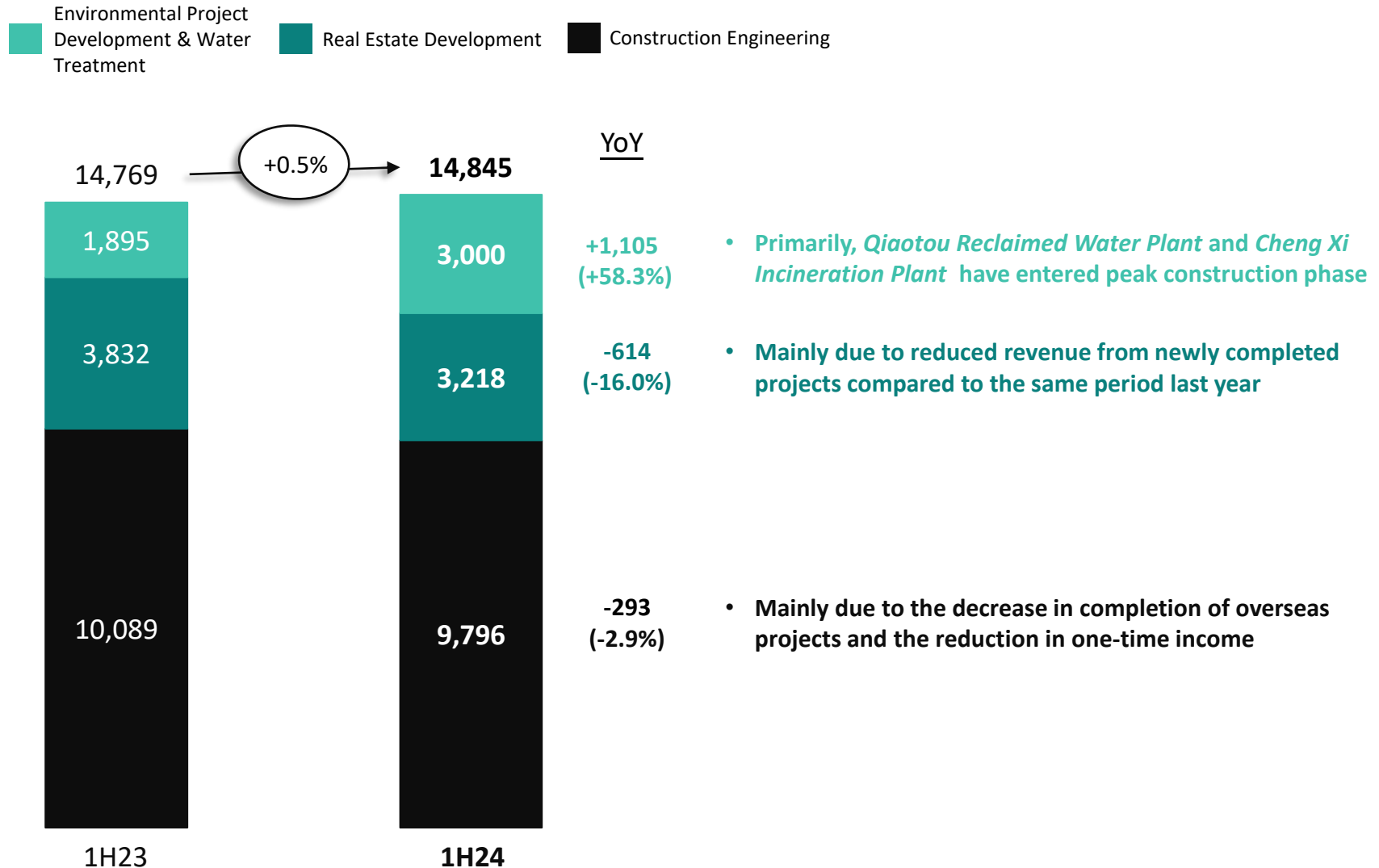
- This presentation and release contain “forward-looking statements” which may include projections of future results of operations, financial condition or business prospects based on our own information and other sources.
- Our actual results of operations, financial condition or business prospects may differ from those expressed or implied in these forward-looking statements for a variety of reasons, including but not limited to market demand, price fluctuations, competition, international economic conditions, supply chain issues, exchange rate fluctuations and other risks and factors beyond our control.
- The forward-looking statements in this release reflect the current belief of Continental Holdings Corporation as of the date of this release. Continental Holdings Corporation undertakes no obligation to update these forward-looking statements for events or circumstances that occur subsequent to such date.

Financial Results for the First Half of 2024

<i>Selected Items from Income Statement</i> <i>(In NT\$ millions unless otherwise noted)</i>	1H24	1H23	YoY
Total Revenue	14,845	14,769	+0.5%
Gross Profit	1,877	2,090	-10.2%
Gross Margin	12.6%	14.1%	-1.5 ppt
Operating Expense	1,081	970	+11.4%
Operating Profit	796	1,120	-28.9%
Operating Profit Margin	5.4%	7.6%	-2.2 ppt
Non-Ops	(163)	(347)	n/m
Net Income, attributable to owners of parent	750	790	-5.1%
Net Margin	5.1%	5.3%	-0.2 ppt
EPS (NT\$)	0.91	0.96	-5.1%

Environmental Project Development & Water Treatment Business Achieved Record-High Revenue in H1 for the Same Period

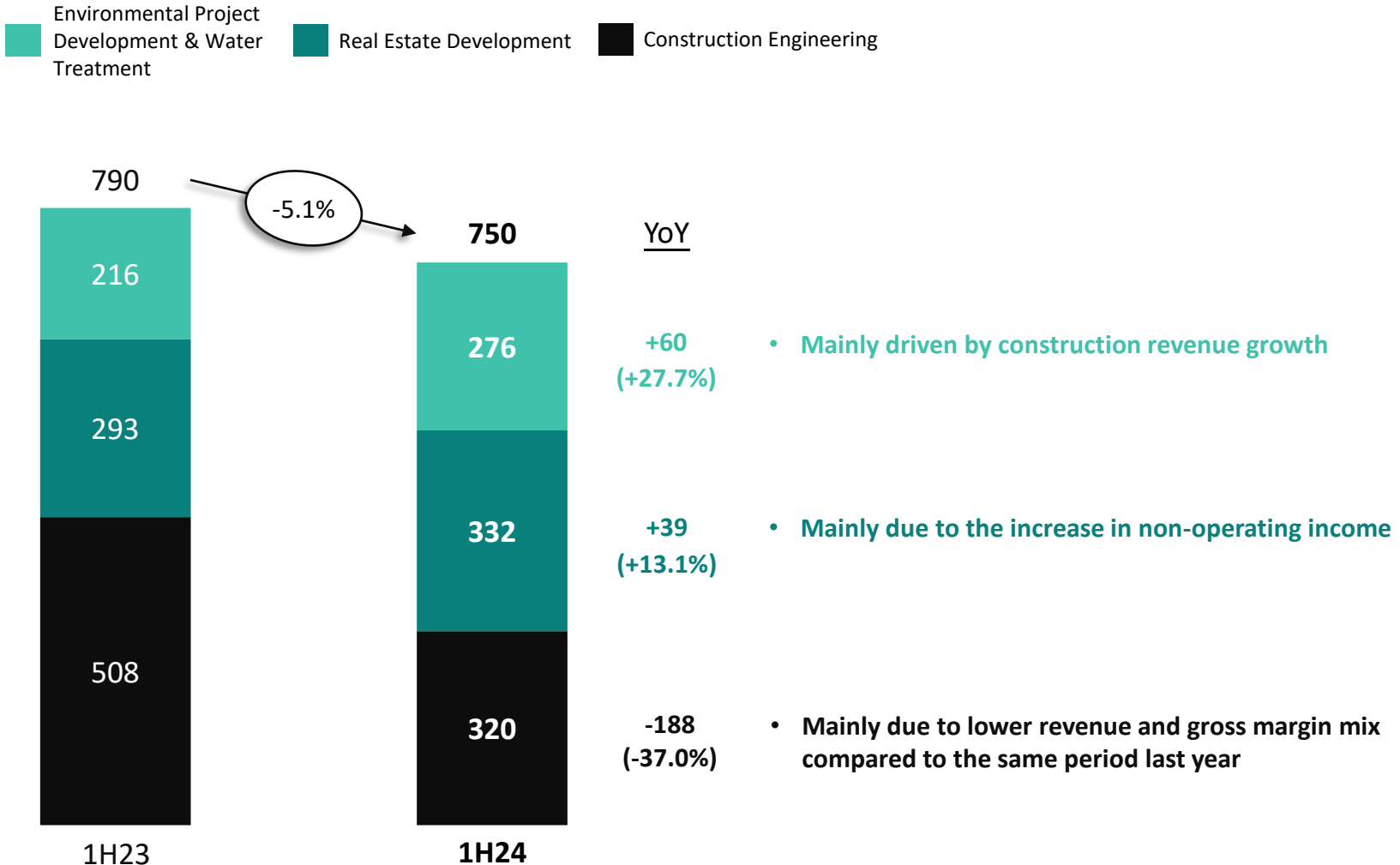
Consolidated Revenues of CHC and Each Business Segment (NT\$ M)



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

Environmental Project Development & Water Treatment Business Achieved Record-High Profit in H1 for the Same Period

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, OPEX, non-op, and tax for CHC standalone.

Strong Balance Sheet

<i>Selected Items from Balance Sheet (NT\$ M)</i>	2024.6.30		2023.12.31		2023.6.30	
	Amount	%	Amount	%	Amount	%
Cash and Cash Equivalents	6,482	7.9	6,878	8.8	6,230	8.5
Current Contract Assets	5,050	6.2	5,241	6.7	5,137	7.0
Account Receivable, Net	2,186	2.7	2,987	3.8	2,207	3.0
Inventories	30,239	37.0	25,205	32.1	24,616	33.5
Property, Plant and Equipment	10,252	12.5	9,530	12.2	9,409	12.8
Investment Property, Net	2,871	3.5	8,015	10.2	8,022	10.9
Long-term Accounts Receivables	6,617	8.1	5,876	7.5	6,120	8.3
Total Assets	81,808	100.0	78,411	100	73,528	100
Short-term Interest-bearing Loans	19,924	24.4	17,135	21.9	13,483	18.3
Current Contract Liabilities	8,946	10.9	7,663	9.8	6,817	9.3
Accounts and Notes Payable	6,296	7.7	6,578	8.4	5,900	8.0
Long-term Interest-bearing Loans	10,836	13.2	12,189	15.5	12,254	16.7
Total Liabilities	50,694	62.0	47,635	60.8	44,408	60.4
Total Equity	31,113	38.0	30,776	39.2	29,120	39.6

Recap of Recent Business Development

- **Construction Engineering Business**

- *Nangang Rail Yard Urban Renewal Project (Unit I)* and *Jiantan MRT Transit Facility Utilized for Multi-Purpose Design Build Project* have officially commenced construction

- **Real Estate Development Business**

- The handover of residential project *Arranging New Asia Bay* has commenced
- The pre-sale of projects *Heng Mu* has commenced

- **Environmental Project Development & Water Treatment Business**

- The environmental education center under turnkey project of Tainan Anping Reclaimed Water Plant has officially commenced operation
- Acquired Chiayi Science Park Wastewater Treatment Plant New Construction Turnkey Project for STSP, with a contract value of NT\$2.76B

Introduction of Chiayi Science Park Wastewater Treatment Plant New Construction Turnkey Project (DBO)

Turnkey Project of Chiayi Science Park Wastewater Treatment Plant

- Contract on hand*: NT\$2.76B
- Construction period of 2.5 years, delegated operation period of 3 years
- Treatment Capacity: 15,000 CMD expandable to 25,000 CMD
- Source of revenue
 - During construction period: construction revenue
 - During operating period: operating revenue under delegation



- Contract on hand value is calculated based on contract terms and project status. Actual recognized revenue amount may vary based on final execution of the project.

Solid Revenue Backlog of Three Business Segments

Construction Engineering

NT\$101.8B

4.9x of 2023 Revenues

+NT\$0.6B QoQ, mainly due to the acquisition of new projects

Real Estate Development

NT\$21.7B

(Record High)

3.0x of 2023 Revenues

• **+NT\$8.6B** QoQ, mainly due to the sale of pre-sale and completed residential projects

Environmental Project Development & Water Treatment

NT\$66.8B

14.0x of 2023 Revenues

• **-NT\$1.7B** QoQ, mainly due to no new contract bid win

Note:

1. Revenue backlog is as of the end of Q2, 2024; Revenues denotes each business segment's 2023 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. Revenue backlog for Environmental Project Development & Water Treatment Business is calculated based on contract terms and project status. Actual recognized revenue amount may vary based on final execution for each project.

Construction Engineering Business – Major Projects in 2024



Civil Construction - MRT

Taipei MRT Wanda Line (CQ840)

Taipei MRT Circular Line (CF680C)

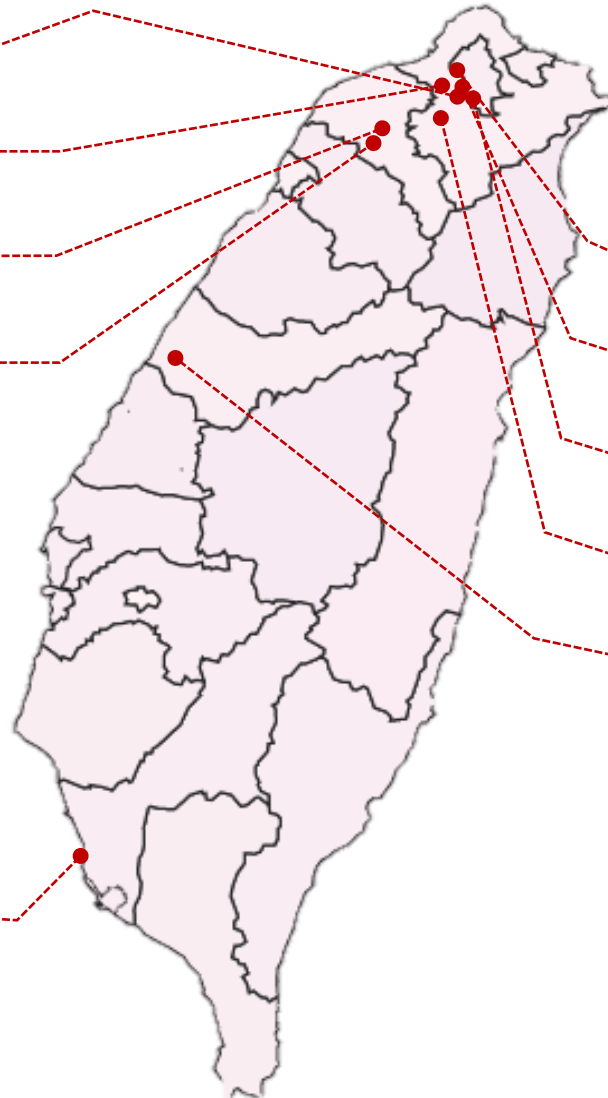
Taoyuan MRT Green Line (GC03)

Taoyuan MRT Green Line (GC01)



Civil Construction – Harbor/Marine

Ministry of National Defense – Cross Harbor Tunnel (N-WH Project)



Building Construction

Wanchi Peitou (Residence)

Sensuous Garden (Hotel and Residence)

Xinyi A7 (Hotel and Retail)

NexGen (Residence)

Belle Époque (Residence)

Residential Project Pipeline – Completion



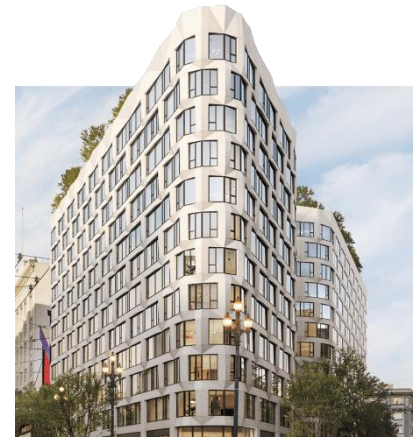
55 Timeless
Taipei City



Treasure Garden
Taichung City



La Bella Vita
Taichung City



SERIF*
San Francisco, CA, USA

*The complex building consists of residential housing on the east side (SERIF) and a hotel on the west side, with retail spaces on the ground level. The project is owned by CDC subsidiary which CDC holds 54.74% stake.

Residential Project Pipeline – 2024-2027

Project Name	Location	Type	Residence Value ¹ (NT\$)	Estimated Timeline ²			
				2024	2025	2026	2027
Tianjin Street Project Sold out	Taipei	Residence	2.23B	Handover in progress			
Arranging New Asia Bay ³ Sold out	Kaohsiung	Residence/Hotel (Hotel Nikko)	3.51B	Handover in progress			
Duan Mei Sold out	New Taipei	Residence	0.53B		V		
Sensuous Garden	Taipei	Residence/Hotel (Hyatt Centric)	4.62B		V		
Belle Époque ⁴	Taichung	Residence/Office	4.70B		V		
Prologue Eternal	Taipei	Residence	4.50B			V	
The Lantern Bangsar ⁵	Kuala Lumpur, Malaysia	Residence	MYR 190M			V	
Metropolitan Village	Taipei	Residence	3.89B				V
Green Utopia	Taichung	Residence	4.25B				V

1. (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.

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

3. Owned by JV between Daiwa House Group (Japan) (65%) and CDC (35%)

4. Denotes the estimated value of residential properties. Sales revenue for commercial properties is recognized based on the completion percentage method.

5. Owned by CDC subsidiary which CDC holds 60% stake.

Residential Project Pipeline – beyond 2028

Location	Land Lot	Geographical Location	Estimated Residence Value*	Estimated Timeline
Taipei City	Yaxiang Section, Xinyi District	Current site of Taipei Children Welfare Center	Planning	Planning
	Nangang Section, Nangang District	Near <i>MRT Nangang Software Park Station</i>	Planning	Planning
	Xuefu Section, Daan District	located at <i>Dunhua South Road Area</i>	Planning	Planning
	Fuxing Section, Daan District	located at <i>Zhongxiao Sogo Shopping Area</i>	Planning	Planning
New Taipei City	Jiangzicui Section, Banqiao District (<i>Heng Mu</i>)	<i>Across Siwei Park</i>	5.24B	2028
	Xinya Section, Banqiao District (<i>Poetic Yard</i>)	Near <i>MRT Far Eastern Hospital Station</i>	4.32B	2028
Hsinchu County	Daxue Section, Zhubei City	Near <i>Far Eastern Department Store Zhubei Branch</i>	Planning	Planning
Hsinchu City	Guanghua Section, North District	Near Performing Arts Center of the Cultural Affairs Bureau, Hsinchu City	Planning	Planning
Taichung City	Dagui Section, Beitun District	Located in <i>Dakeng Scenic Area</i>	Planning	Planning
Kaohsiung City	Houjin Section, Qianjin District	Current site of Ambassador Hotel Kaohsiung	Planning	Planning

* Total residence value amounts to be received by CDC

Commercial Project Pipeline of Real Estate Development Business



Humble Boutique Hotel¹
Taipei, Taiwan
In operation



The LINE Hotel²
San Francisco, CA, USA
In operation



Capri by Fraser²
Kuala Lumpur, Malaysia
In operation



Hotel Nikko³
Kaohsiung, Taiwan
Scheduled opening in 2024



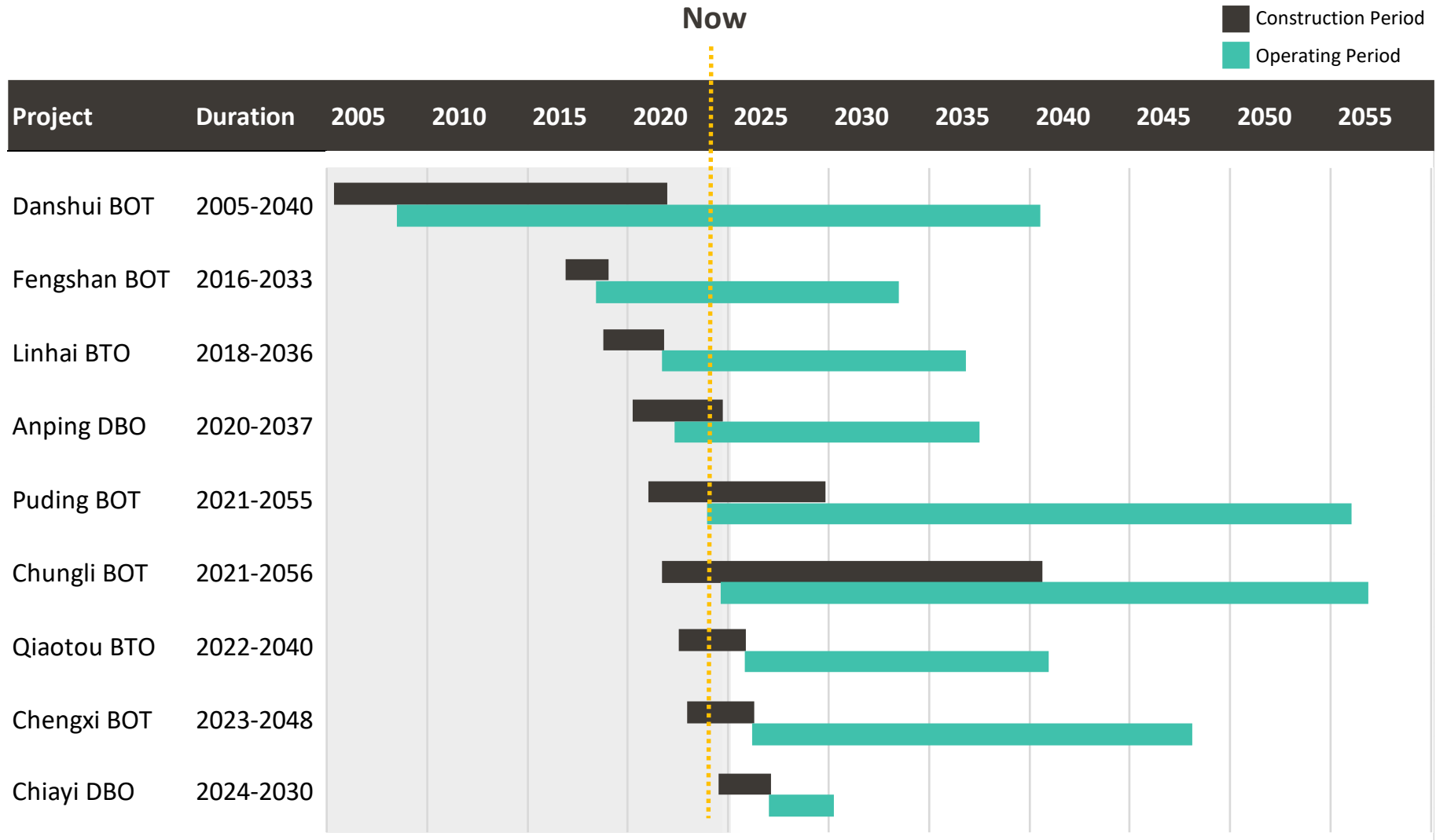
Dazhi Commercial Building⁴
Taipei, Taiwan
Building permit obtained
Expected completion in 2027



Daan District Office Building⁵
Taipei, Taiwan
Expected completion in 2029

1. Leased to My Humble House Group for rental income.
2. Owned by CDC subsidiaries and managed by THE LINE and Capri by Fraser respectively. CDC owns 54.74% and 55% stake in each project company respectively.
3. Owned by JV between Daiwa House Group (Japan) (65%) and CDC (35%) and managed by Hotel Nikko.
4. The land for development project is owned by CDC Commercial Development Corporation (CCD), a subsidiary of CDC, which CDC owns 80.65% stake. CDC and CCD jointly develop this project. CDC (including CCD ownership percentage) is expected to receive 89% of the total project value upon completion.
5. National Housing and Urban Regeneration Center (HURC) is the implementer, and CDC is the investor. The office building owned by HURC will be entrusted to management for 20 years.

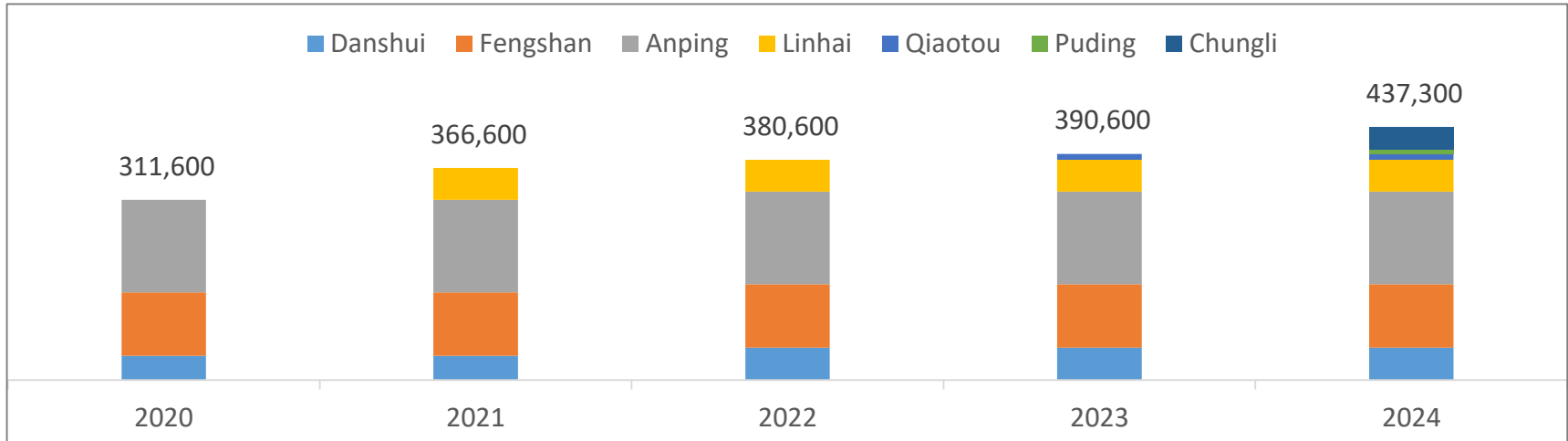
Environmental Project Development & Water Treatment Business – 6 Projects in Operation Contribute to Stable Revenue Stream



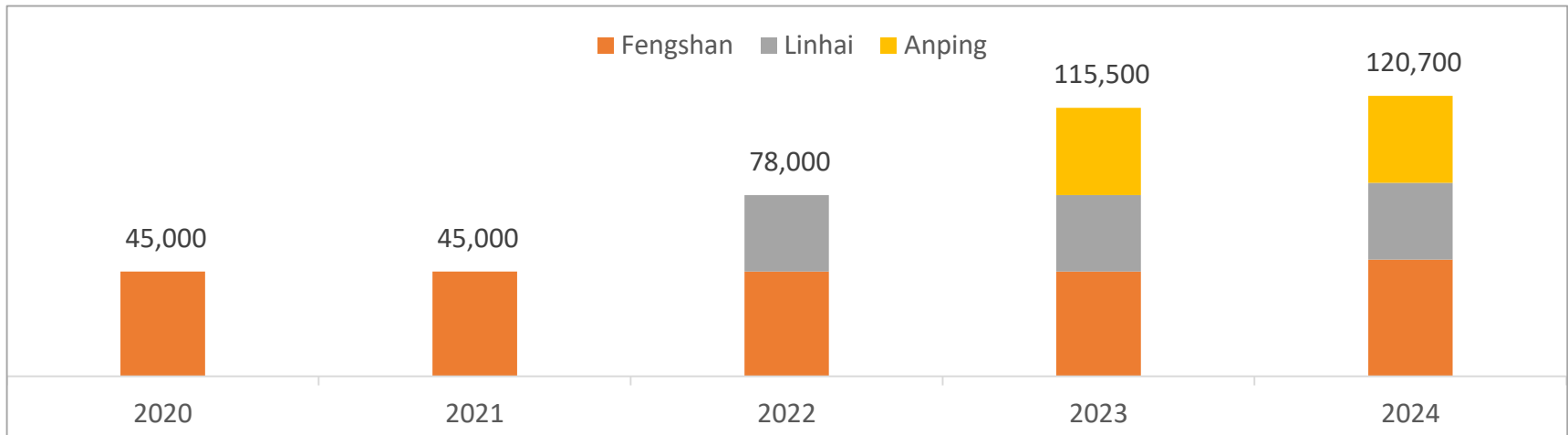
1. The phase one of Chungli BOT project has been completed and launched. The project is expected to commence official operations by the end of the year.
2. Chiayi DBO (Chiayi Science Park Wastewater Treatment Plant New Construction Turnkey Project for STSP) commenced construction on July 24, with a construction period of 2.5 years and an operating period of 3 years.

Environmental Project Development & Water Treatment Business – Capacity Expansion of Wastewater Treatment and Reclaimed Water

Wastewater Treatment (CMD)



Reclaimed Water Supply (CMD)



* The volumes of wastewater treatment and reclaimed water supply are design capacities, rather than actual treatment or supply volumes.



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