



CONTINENTAL 欣陸投控  
HOLDINGS CORPORATION

# Continental Holdings Corporation

**3703.TT**

**2024 Third Quarter Earnings Conference**

**November 4<sup>th</sup>, 2024**



# Disclaimer Statement

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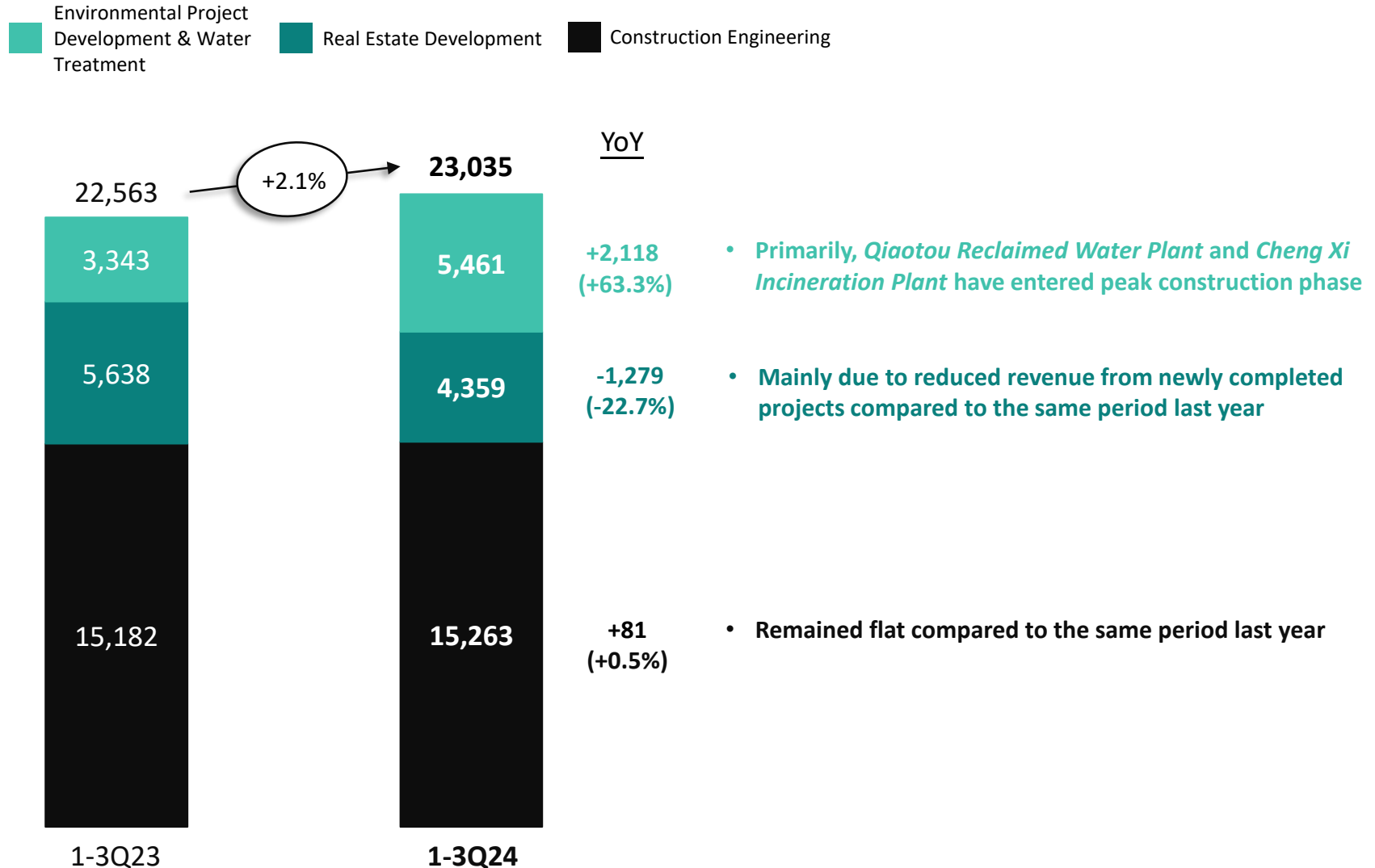
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# Financial Results for the First Three Quarters of 2024

<i>Selected Items from Income Statement</i> <i>(In NT\$ millions unless otherwise noted)</i>	<b>1-3Q24</b>	<b>1-3Q23</b>	<b>YoY</b>
<b>Total Revenue</b>	<b>23,035</b>	<b>22,563</b>	<b>+2.1%</b>
Gross Profit	2,888	3,125	-7.6%
<b>Gross Margin</b>	<b>12.5%</b>	<b>13.8%</b>	<b>-1.3 ppt</b>
Operating Expense	1,713	1,500	+14.2%
<b>Operating Profit</b>	<b>1,174</b>	<b>1,625</b>	<b>-27.7%</b>
Operating Profit Margin	5.1%	7.2%	-2.1 ppt
Non-Ops	48	(352)	n/m
<b>Net Income, attributable to owners of parent</b>	<b>1,312</b>	<b>1,264</b>	<b>+3.8%</b>
Net Margin	5.7%	5.6%	+0.1 ppt
EPS (NT\$)	1.59	1.54	+3.8%

# Environmental Project Development & Water Treatment Business Achieved Record-High Revenue for the First Three Quarters

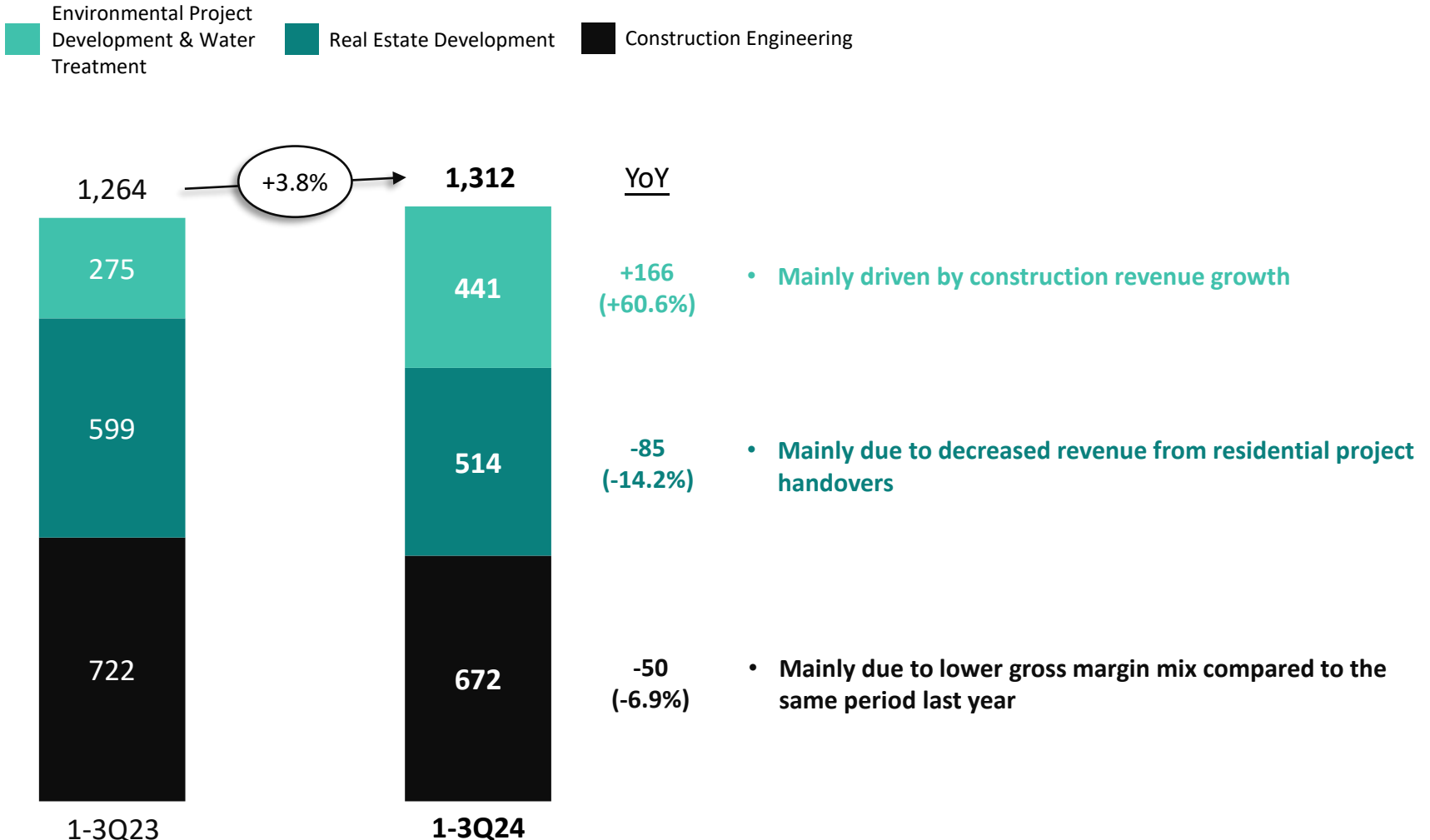
## Consolidated Revenues of CHC and Each Business Segment (NT\$ M)



\*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 for the First Three Quarters

## 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>	2024.9.30		2023.12.31		2023.9.30	
	Amount	%	Amount	%	Amount	%
Cash and Cash Equivalents	6,006	7.2	6,878	8.8	6,106	8.1
Current Contract Assets	5,324	6.3	5,241	6.7	5,497	7.3
Account Receivable, Net	2,448	2.9	2,987	3.8	2,168	2.9
Inventories	31,301	37.3	25,205	32.1	24,996	33.0
Property, Plant and Equipment	10,329	12.3	9,530	12.2	9,654	12.7
Investment Property, Net	2,868	3.4	8,015	10.2	8,019	10.6
Long-term Accounts Receivables	7,069	8.4	5,867	7.5	6,284	8.3
<b>Total Assets</b>	<b>83,979</b>	<b>100.0</b>	<b>78,411</b>	<b>100.0</b>	<b>75,749</b>	<b>100.0</b>
Short-term Interest-bearing Loans	20,268	24.1	17,135	21.9	16,842	22.2
Current Contract Liabilities	9,997	11.9	7,663	9.8	7,090	9.4
Accounts and Notes Payable	6,707	8.0	6,578	8.4	5,938	7.8
Long-term Interest-bearing Loans	12,062	14.4	12,189	15.5	12,165	16.1
<b>Total Liabilities</b>	<b>53,117</b>	<b>63.3</b>	<b>47,635</b>	<b>60.8</b>	<b>45,773</b>	<b>60.4</b>
<b>Total Equity</b>	<b>30,862</b>	<b>36.7</b>	<b>30,776</b>	<b>39.2</b>	<b>29,976</b>	<b>39.6</b>

# Recap of Recent Business Development

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- **Real Estate Development Business**

- Acquired a land located at the Fengxi Section, Nantun District, Taichung City for property development

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

- Acquired Chiayi Science Park Wastewater Treatment Plant New Construction Turnkey Project for STSP, with a contract value of NT\$2.76B

# Solid Revenue Backlog of Three Business Segments

## Construction Engineering

NT\$**98.3B**

4.7x of 2023 Revenues

- **-NT\$3.5B** QoQ, mainly due to backlog fulfillment

## Real Estate Development

NT\$**25.6B**

(Record High)

3.6x of 2023 Revenues

- **+NT\$3.9B** QoQ, mainly due to newly signed contracts from pre-sale projects of *Heng Mu* and *Metropolitan Village*

## Environmental Project Development & Water Treatment

NT\$**67.0B**

14.0x of 2023 Revenues

- **+NT\$0.2B** QoQ, mainly due to the newly acquired *Chiayi DBO Project*, with a contract value of NT\$2.76B

### Note:

1. Revenue backlog is as of the end of Q3, 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)

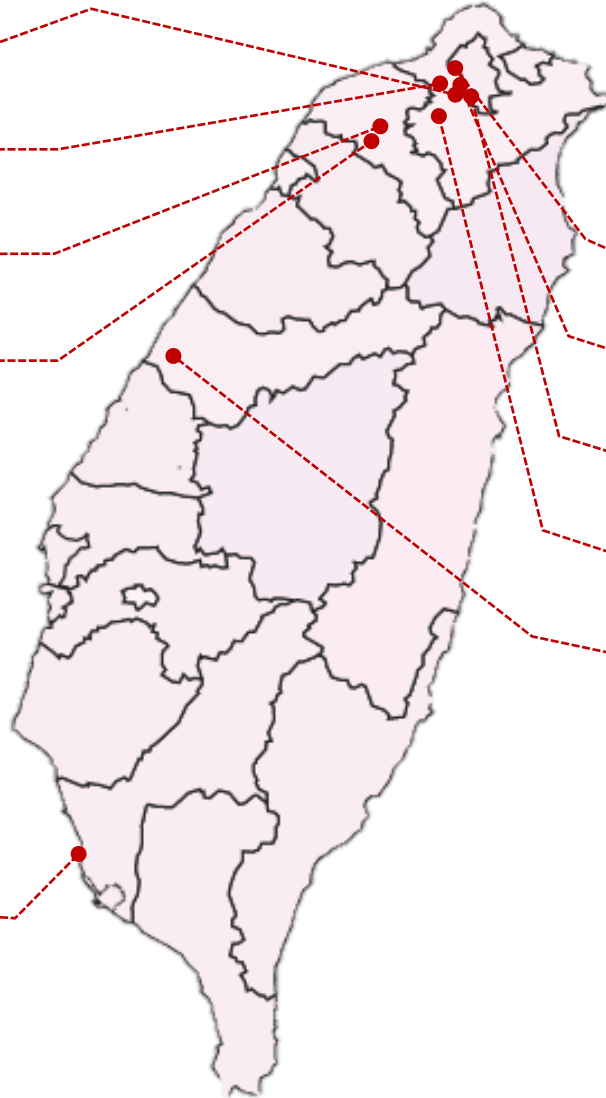
Taoyuan MRT Green Line (GC03)

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

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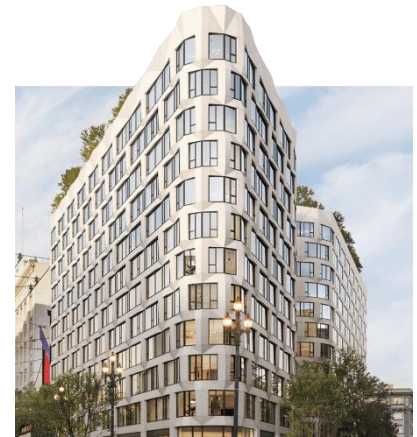
**55 Timeless**  
Taipei City



**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 <sup>1</sup> (NT\$)	Estimated Timeline <sup>2</sup>			
				2024	2025	2026	2027
Tianjin Street Project <span style="border: 1px solid red; padding: 2px;">Sold out</span>	Taipei	Residence	2.23B	Handover in progress			
Arranging New Asia Bay <sup>3</sup> <span style="border: 1px solid red; padding: 2px;">Sold out</span>	Kaohsiung	Residence/Hotel (Hotel Nikko)	3.51B	Handover in progress			
Duan Mei <span style="border: 1px solid red; padding: 2px;">Sold out</span>	New Taipei	Residence	0.53B		V		
Sensuous Garden	Taipei	Residence/Hotel (Hyatt Centric)	4.62B		V		
Belle Époque <sup>4</sup>	Taichung	Residence/Office	4.70B		V		
Prologue Eternal	Taipei	Residence	4.50B			V	
The Lantern Bangsar <sup>5</sup>	Kuala Lumpur, Malaysia	Residence	MYR 190M			V	
Metropolitan Village	Taipei	Residence	3.89B				V
Green Utopia	Taichung	Residence	4.25B				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 (Japan) (65%) and CDC (35%)
- Denotes the estimated value of residential properties. Sales revenue for commercial properties is recognized based on the completion percentage method.
- 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
	<b>Fengxi Section, Nantun District</b>	<b>Near <i>Fengle Sculpture Park</i></b>	<b>Planning</b>	<b>Planning</b>
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 Hotel<sup>1</sup>**  
Taipei, Taiwan  
In operation



**The LINE Hotel<sup>2</sup>**  
San Francisco, CA, USA  
In operation



**Capri by Fraser<sup>2</sup>**  
Kuala Lumpur, Malaysia  
In operation



**Hotel Nikko<sup>3</sup>**  
Kaohsiung, Taiwan  
Opening in Nov 2024



**Dazhi Commercial Building<sup>4</sup>**  
Taipei, Taiwan  
Building permit obtained  
Expected completion in 2027

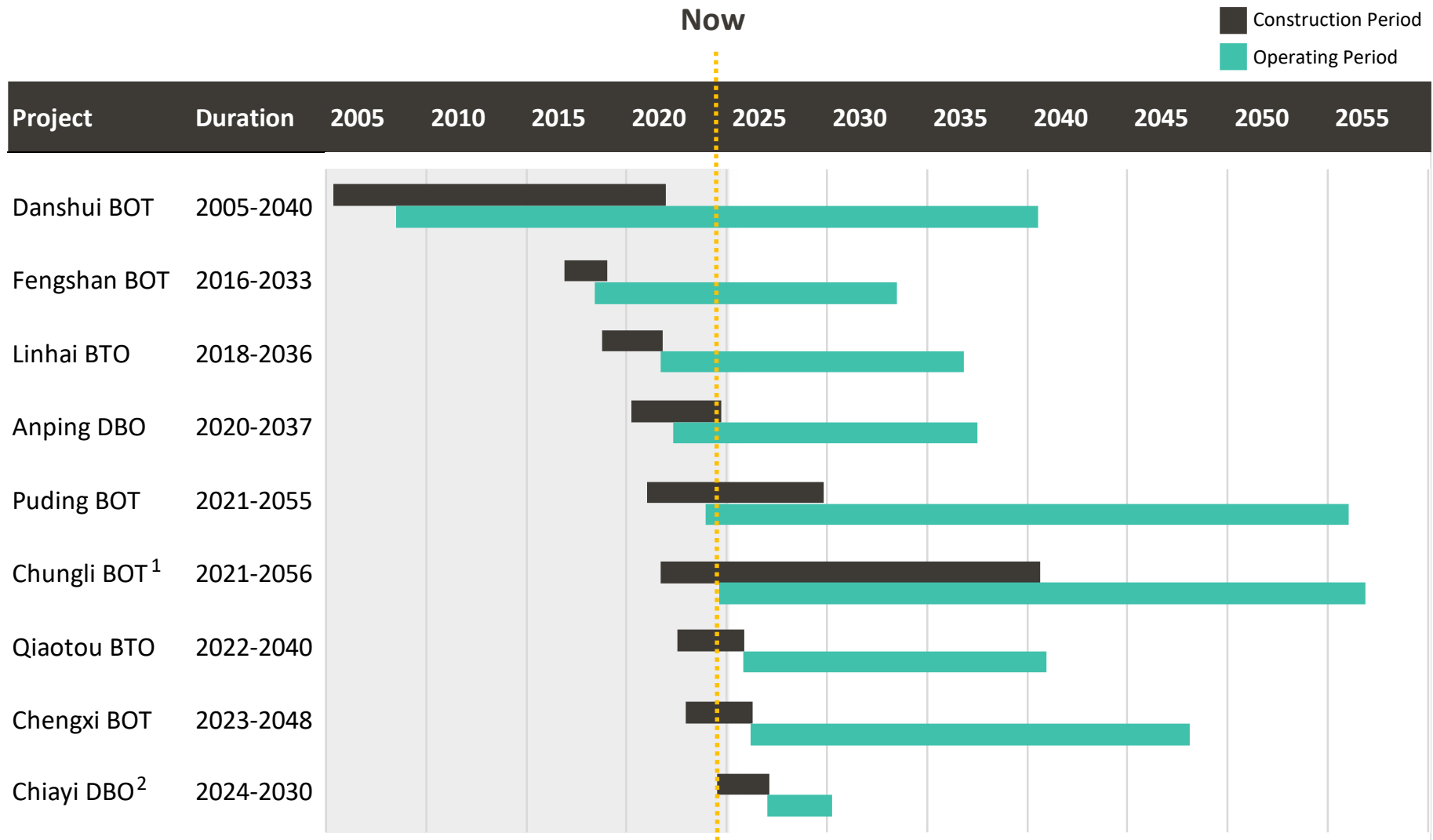


**Daan District Office Building<sup>5</sup>**  
Taipei, Taiwan  
Expected completion in 2029

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.



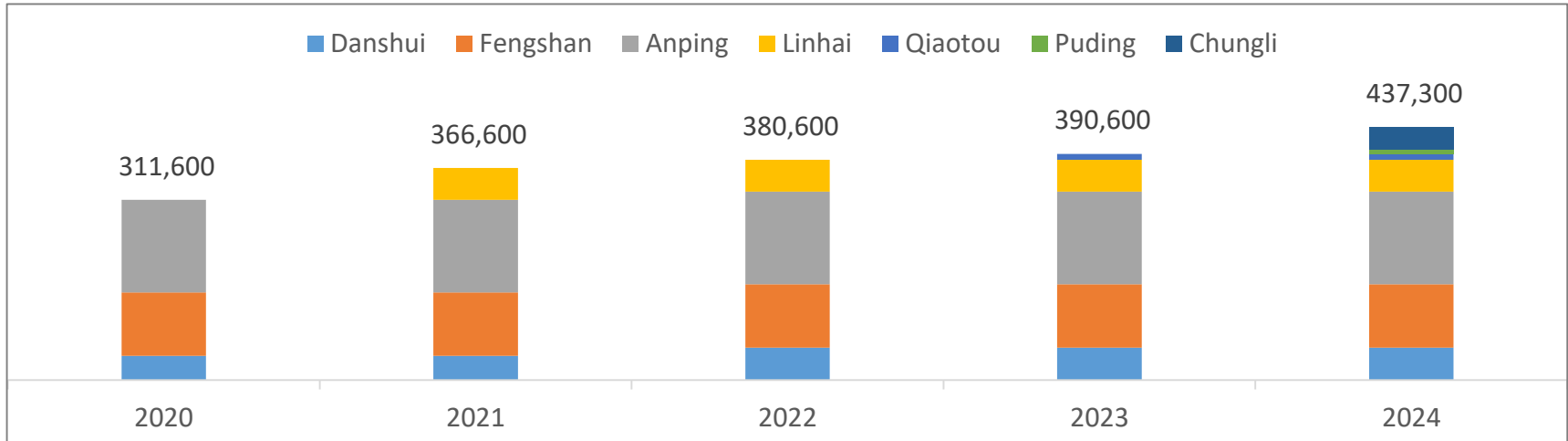
# Environmental Project Development & Water Treatment Business – 6 Projects in Operation Contribute to Stable Revenue Stream



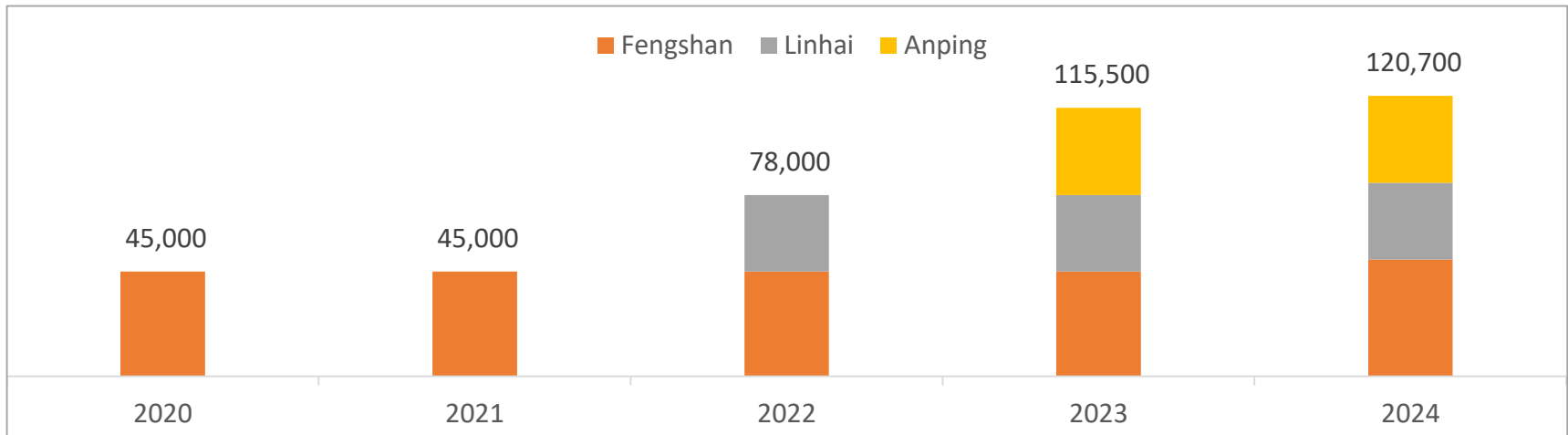
1. The phase one of Chungli BOT project has been completed and launched. The project is expected to commence official operations by the end of the year.
2. Chiayi DBO (Chiayi Science Park Wastewater Treatment Plant New Construction Turnkey Project for STSP) commenced construction on July 24, with a construction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