



# Chia Hsin Cement Corporation 2020 Q2 Investors' Presentation

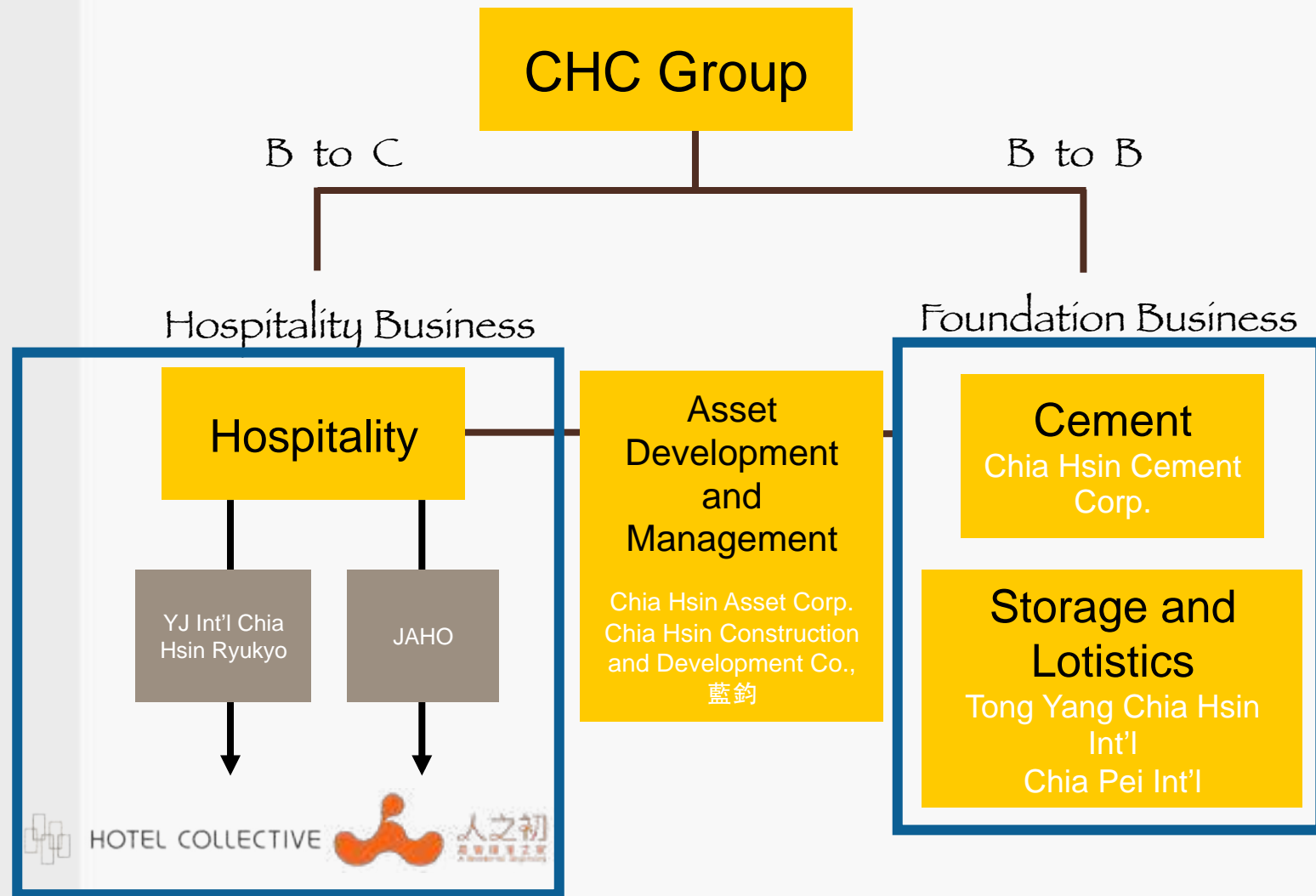
# Disclaimer

The forward-looking statements contained in this presentation are subject to risks and uncertainties and actual results may differ materially from those expressed or implied in these forward-looking statements.

Chia Hsin Cement Corporation makes no representation or warranty as to the accuracy or completeness of these forward-looking statements and nor does Chia Hsin Cement Corporation undertake any obligation to update any forward-looking statements, whether as a result of new information or future events.



# CHC Group Business Structure



# 2020 Q2 Consolidated Income Statements

Unit : Millions NTD

	Q2/20	Q1/20	QoQ	Q2/19	YoY
Revenue	497	495	-	438	13%
Gross Profit	(3) (0.6%)	(19) (3.9%)	84% 3.3ppts	53 12.2%	(106%) (12.8ppts)
Operating Income(Loss)	(159) (31.9%)	(159) (32.1%)	- 0.2ppts	(59) (13.4%)	(169%) (18.5ppts)
Net Non-operating Items	506	(47)	1,177%	192	164%
Net Profit(Loss) Attributable to Owner of the company	140	(210)	167%	602	(77%)
EPS(NTD)	0.22	(0.33)	167%	0.94	(77%)
EBITDA	500	(72)	794%	802	(38%)



# 2020 H1 Consolidated Income Statements



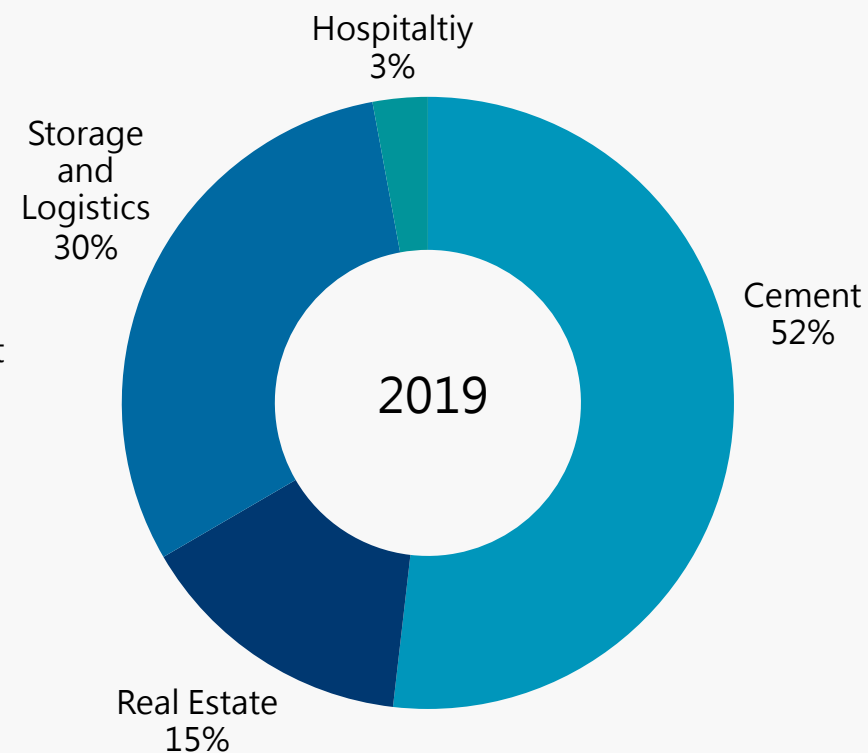
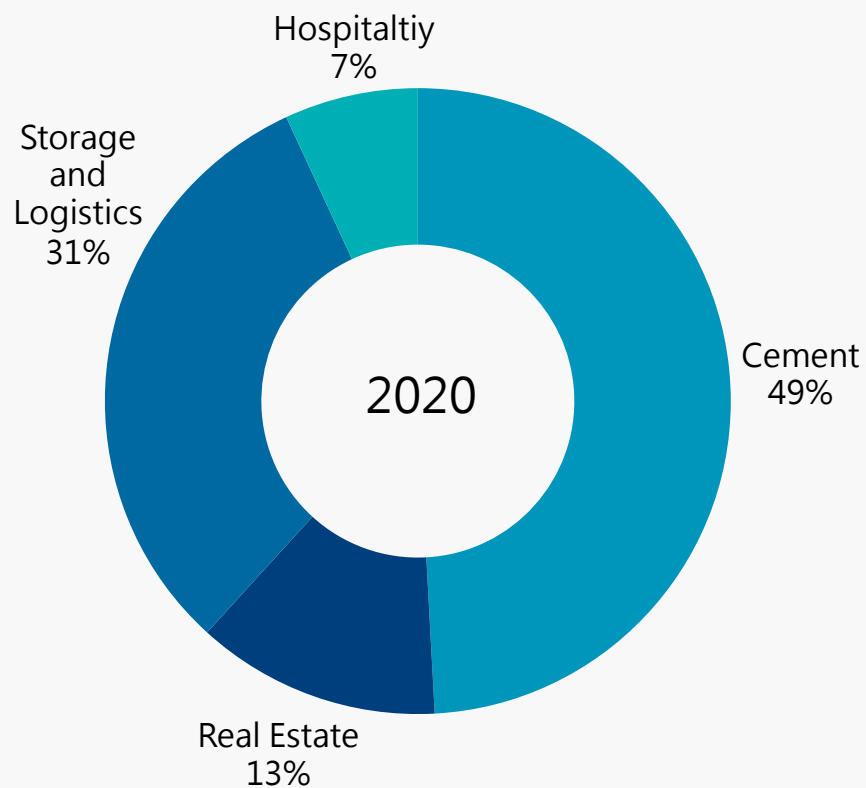
Unit : Millions NTD

	2020H1	2019H1	YoY
Revenue	992	890	11%
Gross Profit	(23) (2.3%)	119 13.3%	(119%) (15.6ppts)
Operating Income(Loss)	(317) (32.0%)	(115) (12.9%)	(176%) (19.1ppts)
Net Non-Operating Items	460	420	10%
Net Income from Discontinued Operations	1	604	(100%)
Net Profit(Loss) Attributable to Owner of the company	(70)	728	(110%)
EPS(NTD)	(0.11)	1.13	(110%)
EBITDA	427	1,042	(59%)

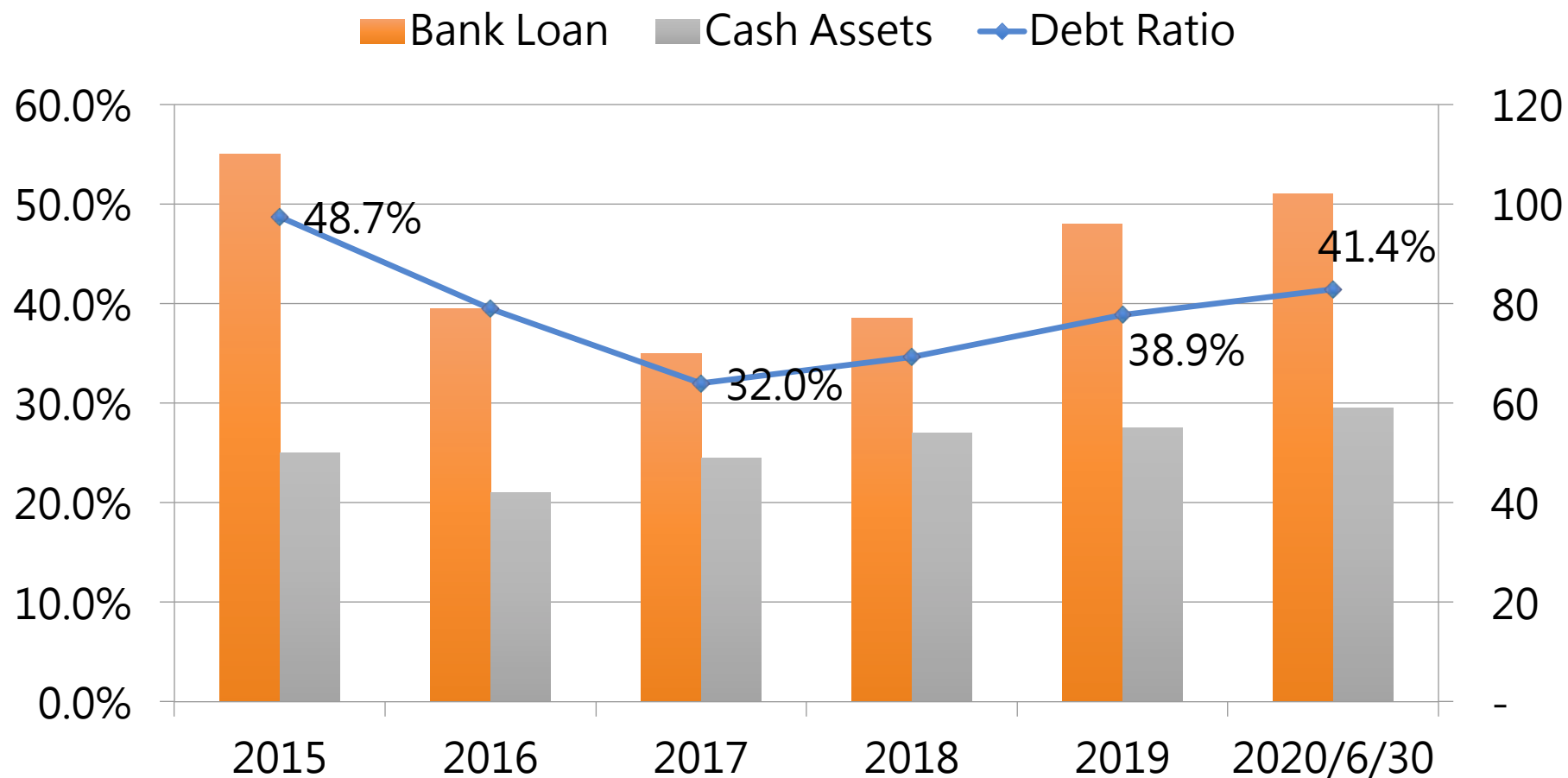
# Business Units Revenue Breakdown Comparison

Unit : Millions NTD

	2020 YTQ2	2019 YTQ2
Cement	488	461
Real Estate	125	132
Storage and Logistics	311	271
Hospitality	68	26
Total	992	890



# Steady Financial Position

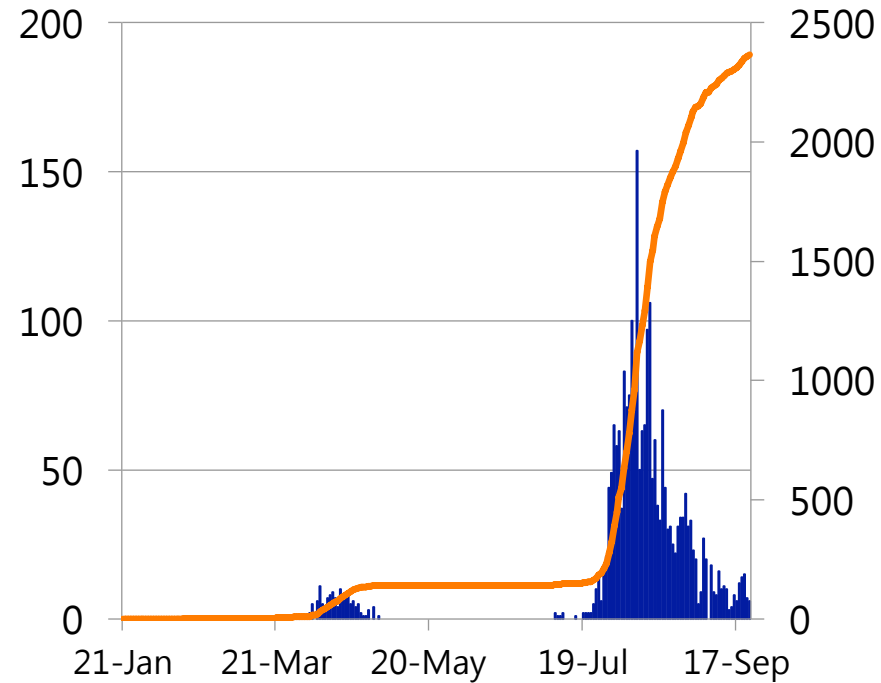


Note : Cash Assets=Cash and cash equivalents + Principle protected investments + Bank deposits + Restricted deposits

# Covid-19 Cases in Italy and Japan

## Covid-19 Cases in Okinawa

■ New Cases    — Total Cases

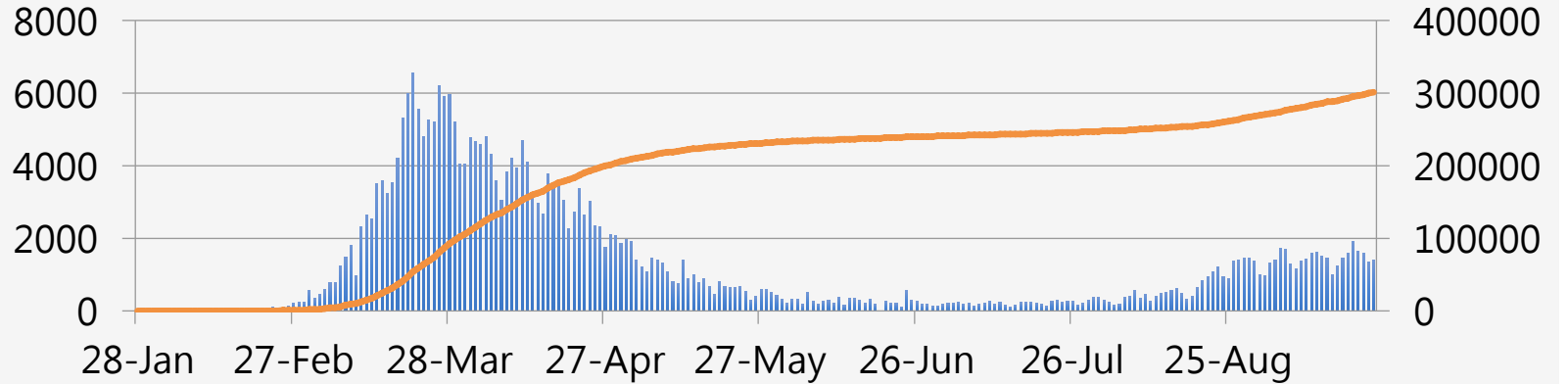


Data source: NCHC · Okinawa Covid-19 Information Website



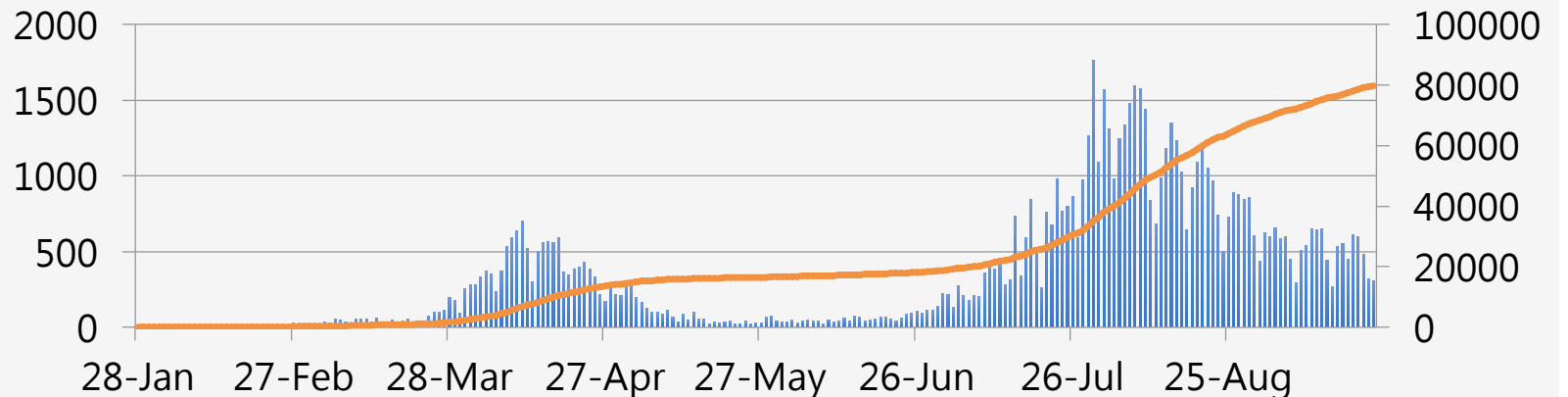
## Covid-19 Cases in Italy

■ New Cases    — Total Cases



## Covid-19 Cases in Japan

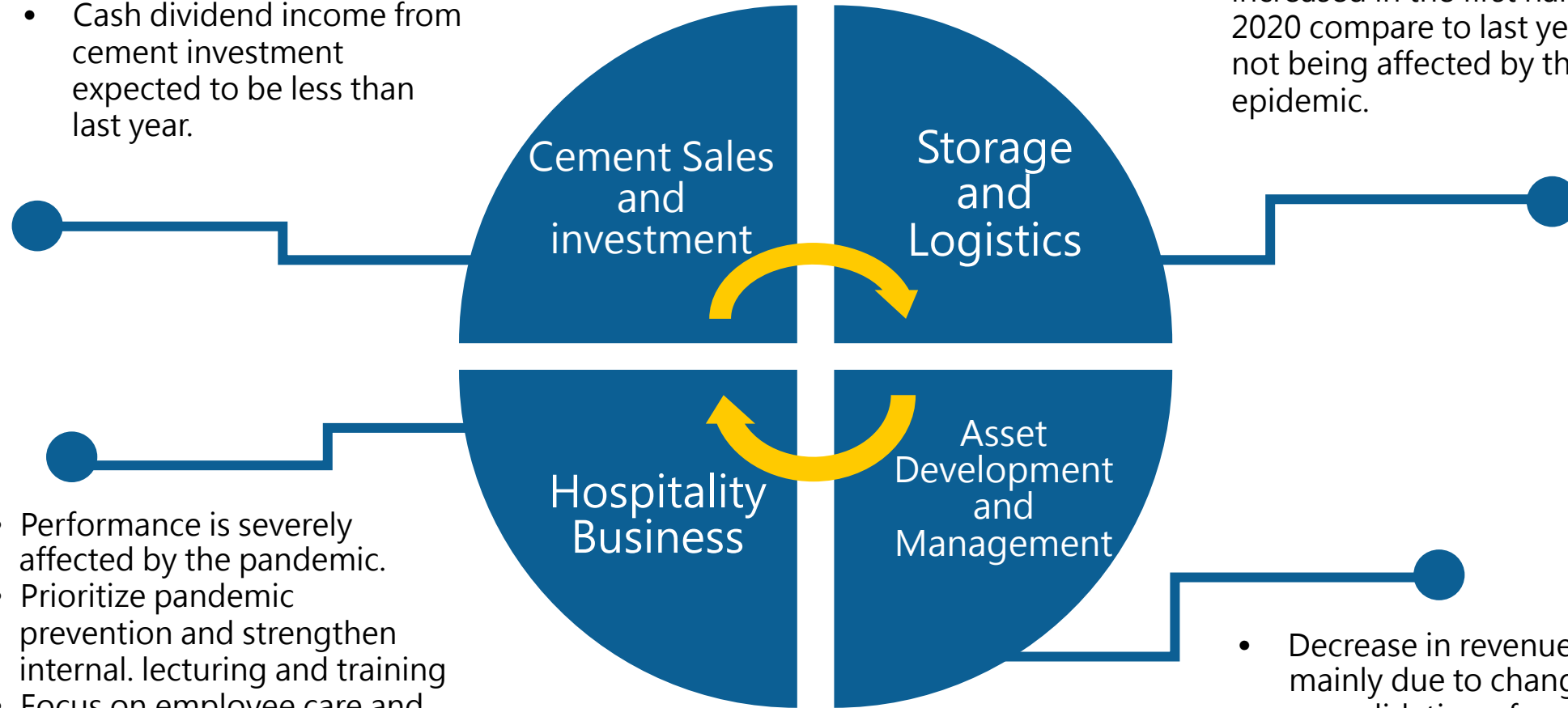
■ New Cases    — Total Cases





- Cement trading is not affected by the pandemic.
- Cash dividend income from cement investment expected to be less than last year.

- Volume of loading increased in the first half of 2020 compare to last year, not being affected by the epidemic.



Cement Sales  
and  
investment

Storage  
and  
Logistics

Hospitality  
Business

Asset  
Development  
and  
Management

- Performance is severely affected by the pandemic.
- Prioritize pandemic prevention and strengthen internal. lecturing and training
- Focus on employee care and social responsibility.

- Decrease in revenue is mainly due to changes in consolidation of subsidiary.

Enterprise  
Value

Environment  
Sustainability

Brand  
Extension



# Committed to environmental protection and reducing industrial pollution

Establish enclosed conveying equipment and storage for coal and sand at Taipei Port, hence to reduce air pollution during sand and gravel transportation process.







# US LEED Green Building Certification

Healthy people in healthy place equals a healthy economy

LEED  
Credit  
Categories



# LEED certification application



## Indoor air quality

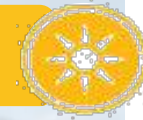
- Real-time monitoring of indoor air quality
- Increase outdoor air exchange rate
- Perform air scrubbing



## Sustainable design

- Adopt native and multi-layer planting landscape design
- Set up bicycle racks, designated parking spaces for car pools and charging stations for electric cars facilities.

## Energy-efficient design



- Energy efficiency can achieve beyond 5.3%
- Use high-efficiency air-conditioning central unit
- LED lighting energy-saving 35% lower than LEED certification standards.
- Install energy meters to monitor the building energy efficiency

## Recycling



Construction waste reduction program, less than 2.3 lb/sq ft construction waste generated.

## Water saving design



- Use water-saving sanitary equipment to reduce daily water consumption by 30%
- Select drought-tolerant landscape design. 100% full replacement of tap water for planting and irrigation.
- Install a water meter to monitor building water use





## Red Clay outflow prevention

Protect adjacent sea areas and natural ecology

- Adopted special control measures and monitoring systems to prevent Red Clay loss during construction.
- As a result, the amount of Red Clay covering approximately an area of 4,825 square meters at the construction site have been prevented from flowing into the sea.



# What is WELL?

The WELL Building Standard is the first international certification for measuring and monitoring features of the building environment that impact human health and wellbeing.

## Why

We want to be the leading brand for Chinese postpartum care.

We want to use a holistic approach provide the best living environment for all our mothers and babies.

## How

By focusing on building environment, public cleaning, meal design, employee benefits.







Healthy Building

## Well Building Standard Certification



Platinum



Air



Water



Nourishment



Light



Movement



Thermal  
comfort



Sound



Materials



Mind



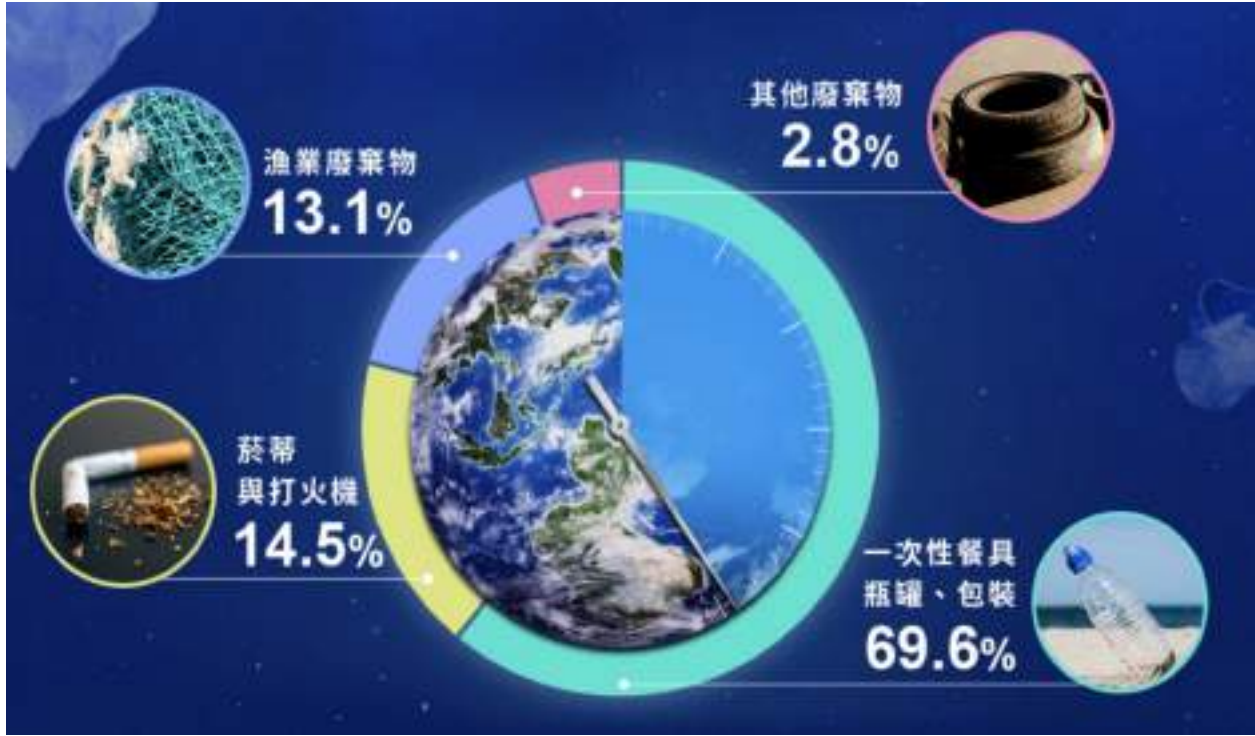
Community



# Active participation in the Marine Conservation program.

一件好事救海洋 | Discovery

According to estimates, 12.7 million tons of plastic waste eventually flow into the ocean every year, which is equivalent to one truckload of plastic waste being dumped into the ocean every minute.



# CHC's Commitment to Environmental Sustainability

- Value the feedback from our stakeholders, offering personal wellness and hospitality service.
- Protect natural habitats and provide a guest journey with in-depth tourism experience.
- Reduce energy consumption through energy-saving design and equipment.
- Prohibit the consumption of protective food ingredients to maintain ecological balance.
- Participate and sponsor related activities to voice out continuous attention on environmental sustainability issues.
- Support companies with a circular economy concept through strategic investments for a sustainable future.







THANK  
YOU



嘉新企業團  
CHIA HSIN CEMENT GROUP

# Status of Land Properties

	Land/Project	Location	Land Area (ping)	Status
Domestic	Gangshan	Kaohsiung	47,690	Undergoing land preparation aiming to increase rental earnings.
	Kuojian Road	Kaohsiung	4,400	A public town hall meeting will be held at the year end.
Overseas	HOTEL COLLECTIVE	Okinawa	1,400	Opening in Spring, 2020
	InterContinental Okinawa Chura SUN Resort	Okinawa	11,100	Hotel Management Agreement with IHG entered on August 17, 2019

Location	Total Land Area (square meter)	Total Land Area (ping)
Domestic	669,900	202,600
Overseas(Japan)	41,500	12,500