



Chia Hsin Cement Corporation

2019 Q3 Results

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.

2019/02 Sold 6% of subsidiary Chia Hsin Construction and Development Co., Ltd

2019Q2 Completed of sale of Jiangsu Union Cement

2019Q3 Signed HMA with IHG

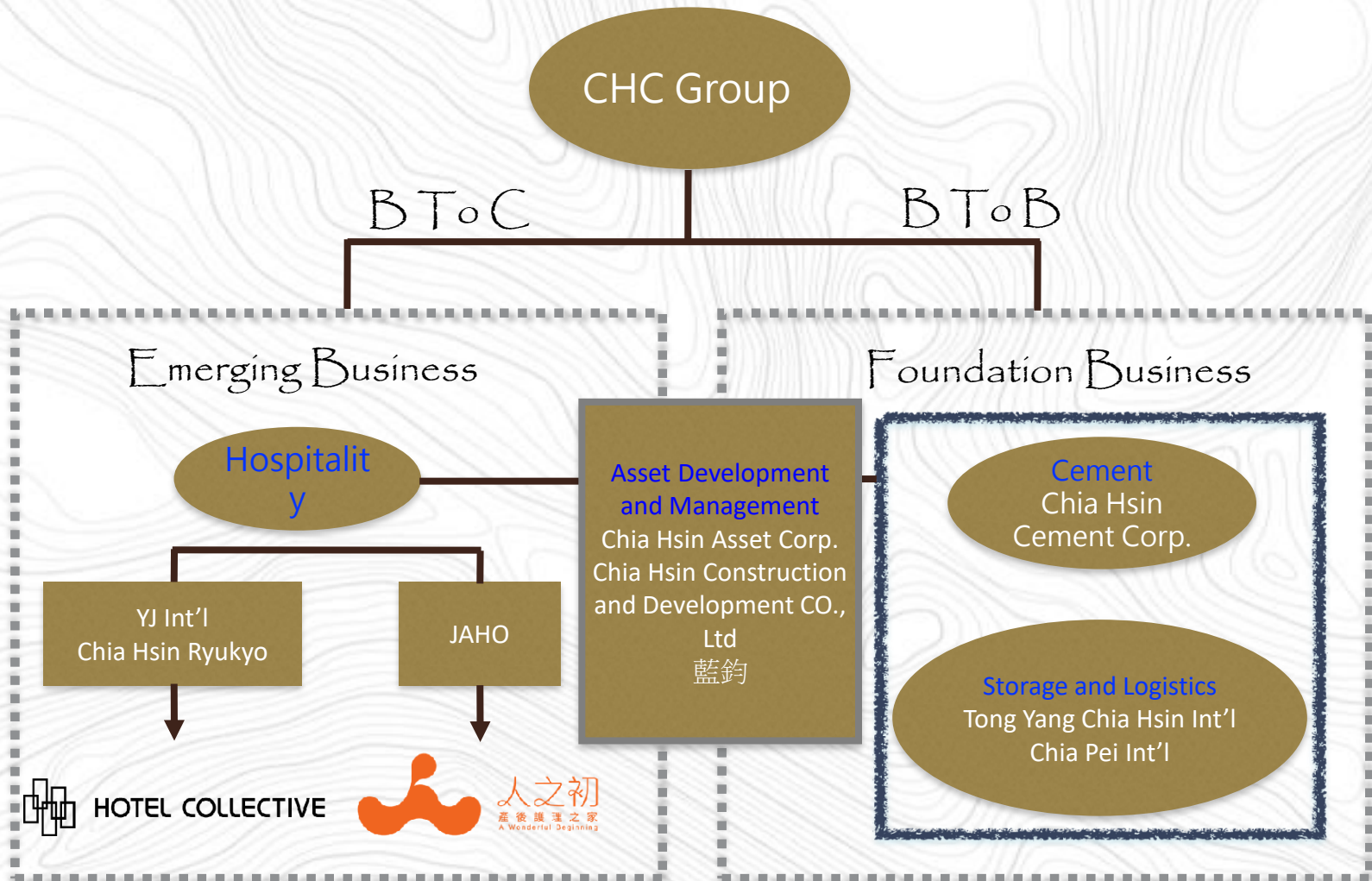


嘉新企業團
CHIA HSIN CEMENT GROUP

2019/11 Awarded MSCI global small component stock

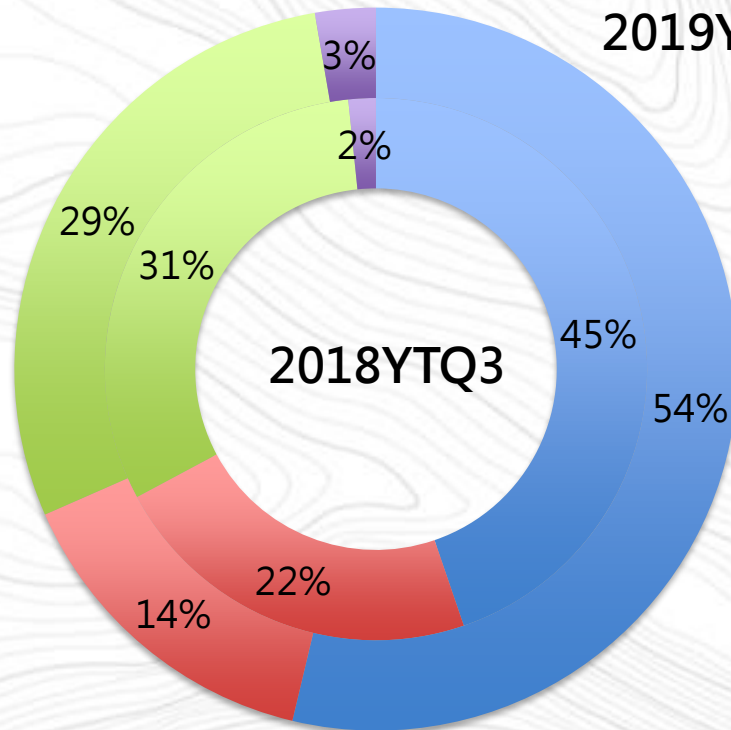
2019Q4 Completed construction of  HOTEL COLLECTIVE

CHC Group Business Structure



Revenue Contribution by Business Unit

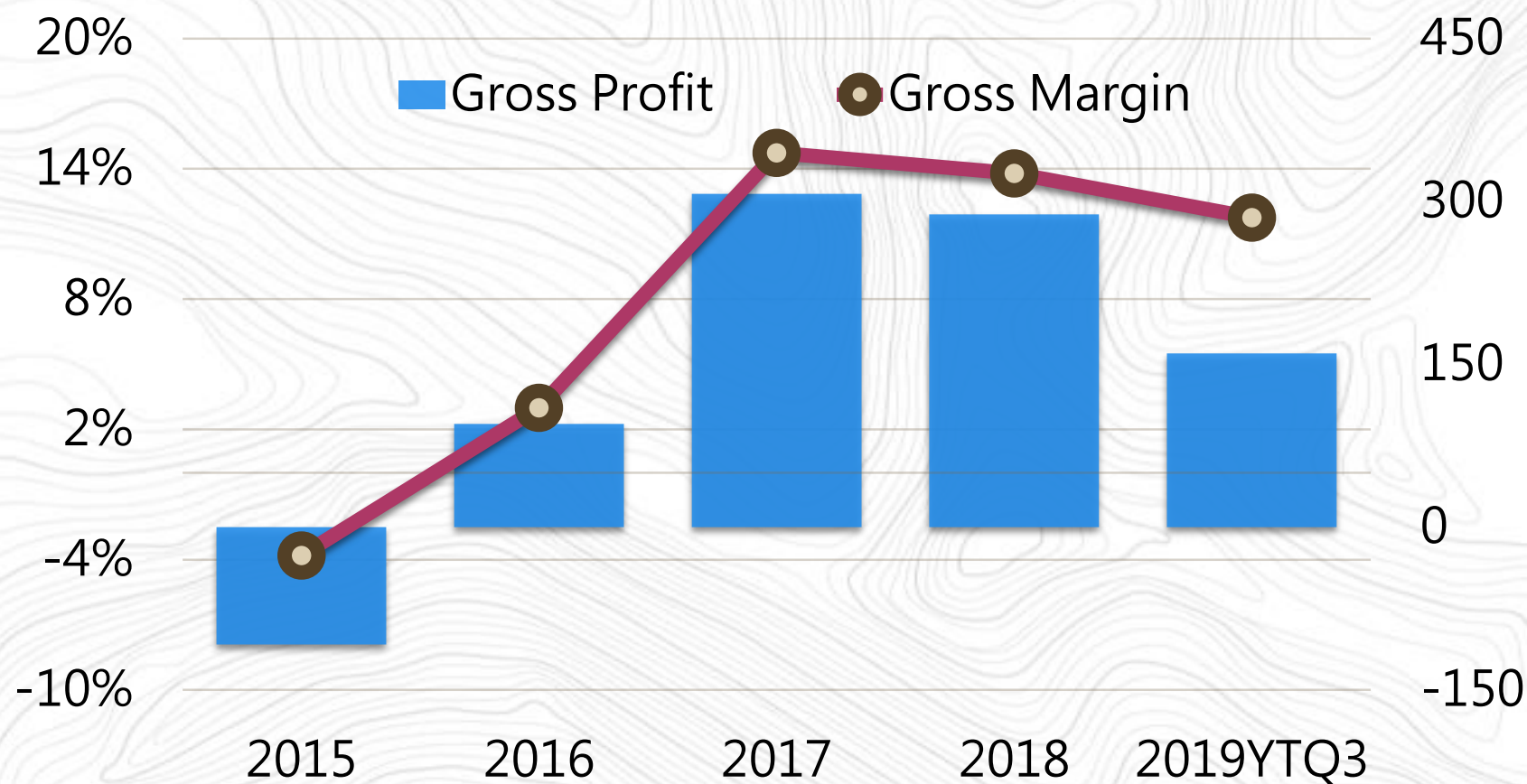
■ Cement ■ Real Asset ■ Storage and Logistics ■ Hospitality



Unit : Millions NTD

	2018YTQ3	2019YTQ3
Cement	669	732
Real Asset	335	200
Storage and Logistics	466	394
Hospitality	24	37

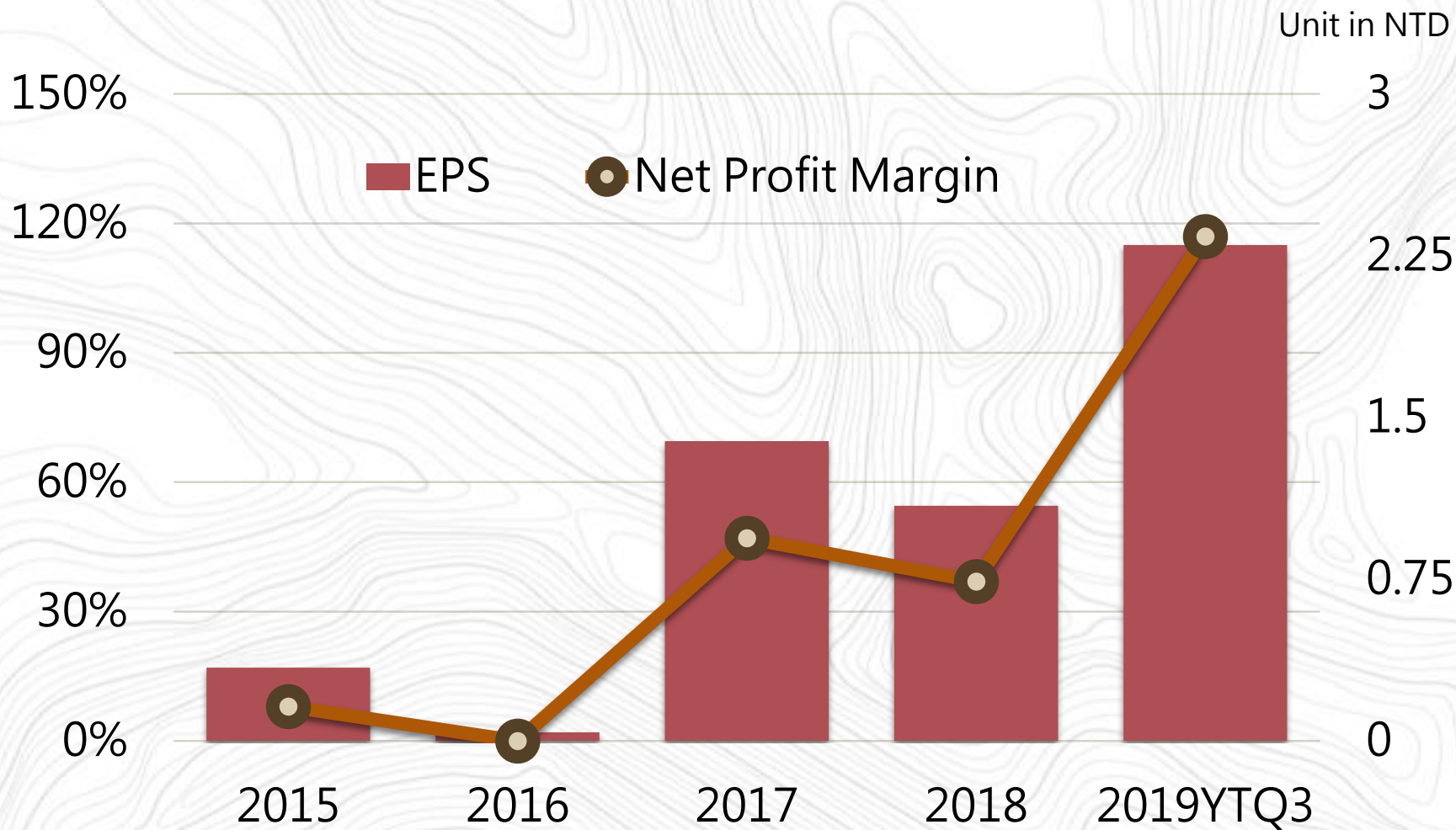
Unit : Millions NTD



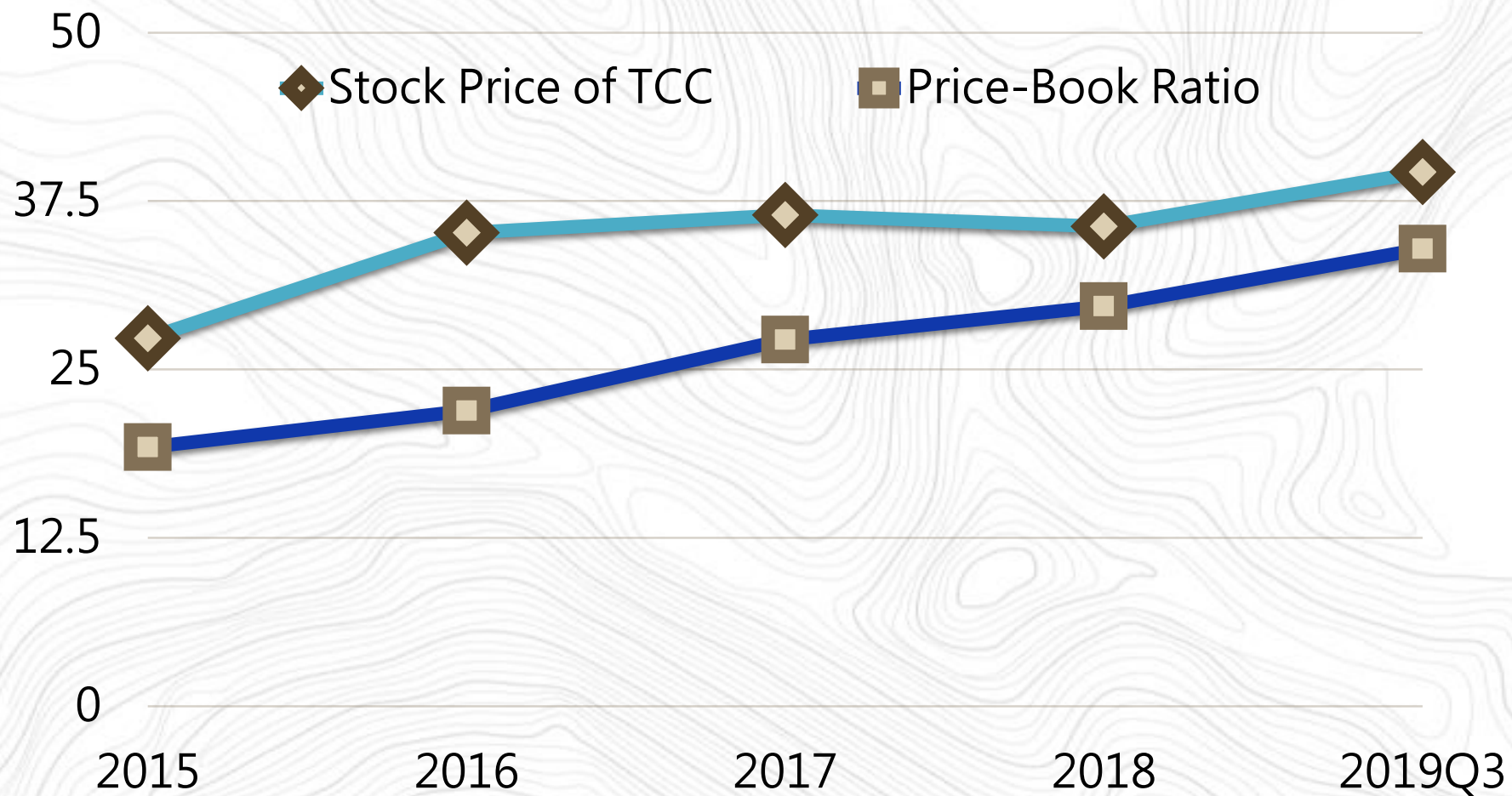
Operating results of the Nine Months Ended September 30, 2019

Unit : Millions NTD

	2019YTQ3	2018YTQ3	YoY
Revenue	1,363	1,495	(8.8%)
Gross Margin (%)	11.8%	14.7%	(2.9ppts)
Operating Margin (%)	(16.6%)	(2.6%)	(14.0ppts)
Net Non-operating Items	1,350	783	72.4%
Net Income from Discontinued Operations	604	307	96.7%
EBITDA	2,044	1,321	54.7%
Net Income	1,485	883	68.2%
Basic EPS(NTD)	2.31	1.37	68.6%

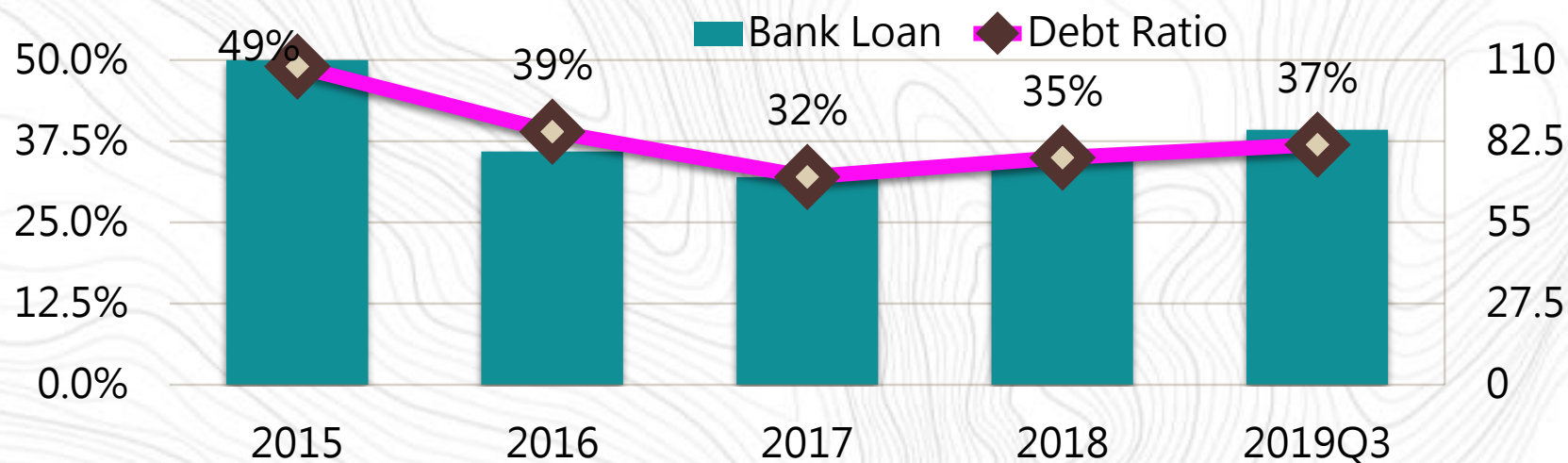


Unit in NTD

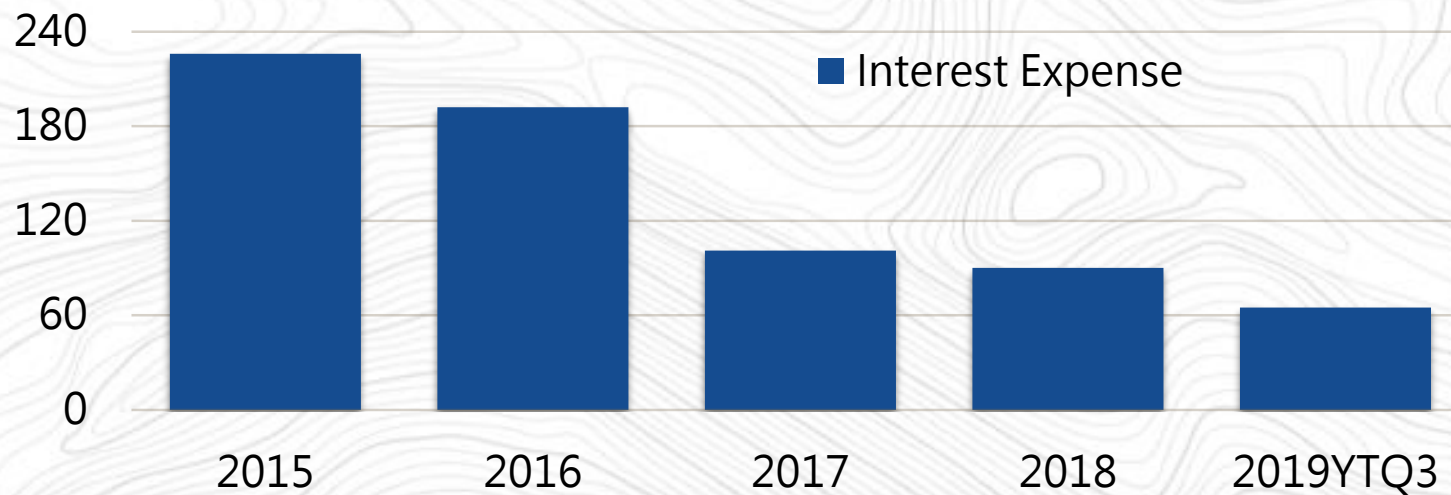


Annual Debt Ratios

Unit : Hundred Millions NTD



Unit : Millions NTD



Foundation Business

China Assets Liquidation Update

Unit : Thousands RMB

Company	Categories	Sale Value	Book Value	Gain on Disposals
Jiangsu Union Cement	Land and Buildings	228,800	98,051	130,749
Shanghai Jia Huan Concrete	Land and Buildings	105,430	9,898	Record upon transaction completion

Strategic Holding of TCC shares

Shareholdings : appx.~310 million shares

Shareholding ratio : 5.69%

Dividends : appx. \$960m



Emerging Business

SPECIALTIES

Zhongshan 1st Center
Lively . Accessible

- Fitness
- Restaurant
- Ease of transportation
- Parking available

Dunhua 2nd Center
Privacy . French Urban

- Extreme Privacy
- Bold design, floor to ceiling windows
- Exhale flagship SPA
- Designate floor for children

PROMISES



Close to Medical Center



Professional Team



Baby early development program



Chinese medicine support



Essential Oil Treatment



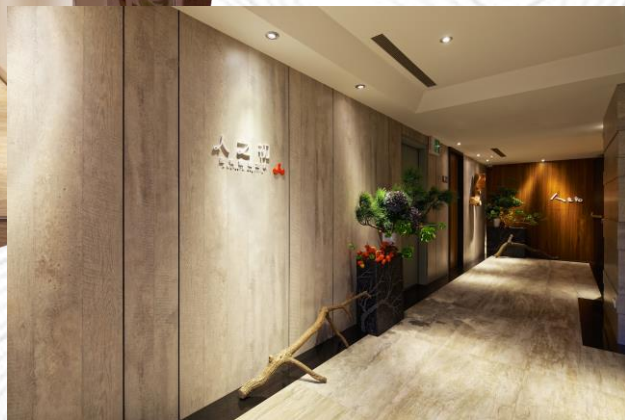
Professional nursing care



WELL Building Standard

人之初 產後護理之家

A Wonderful Beginning



Our Efforts towards ESG

Environment

- WELL Building Standard certification applications undergoing for both centres
- LEED certification application undergoing for HOTEL COLLECTIVE

Social

STAFF GYM



SPORT ENTERPRISE



RECRUIT DISABLED WORKERS



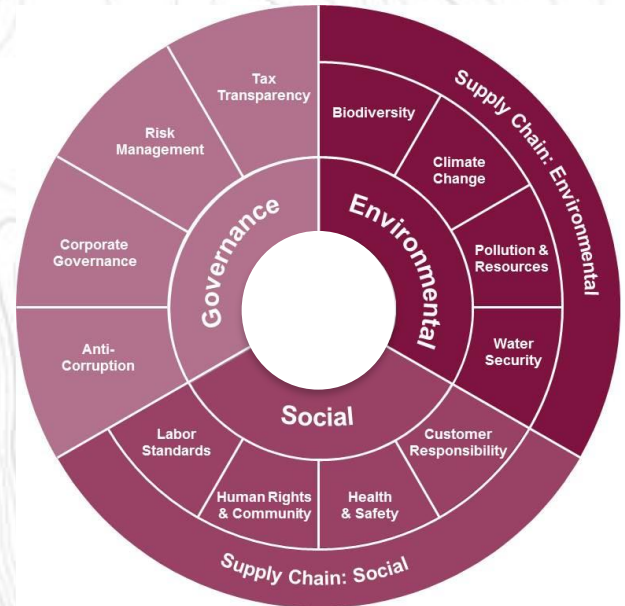
Mother's Day Make-up Charity Evening Event



65th anniversary fair



Employees childcare subsidies



Governance



- Establish Corporate Governance Mgmt.
- Establish Board of Directors results performance evaluation methodology
- Promote material information in both Chinese and English
- Establish Risk Management policies
- Increase investor communication



Be.
Okinawa

本来の自分を取り戻せる島。

Advantageous location and logistics



InterContinental Okinawa Chura SUN Resort

Information

- Close to Beach, perfect location for Resort destination.
- Convenient traffic close to airport
- Hotel - 13 floors; Villa - 5 floors
- All 373 rooms facing ocean view
- Facilities include Chapel, MICE, SPA and Onsen etc.

2018 / Q2 Signed with Kuma Kengo &
Associates + Habitech Architect

2018 / Q4 Hot Spring drilling exploration

2019 / Q1 Hot Spring water quality analysis

2019 / Q3 Signed HMA with IHG

2023 InterContinental Chura SUN Resort
opening





HOTEL COLLECTIVE



Hotel Collective Naha is CHC first hotel established in the City of Naha with total space of 1,453 tsubo and will be the landmark on the Kokusai Dori.

Hotel Collective is a full service hotel with 260 guests rooms, three restaurants, an outdoor swimming pool and a chapel.

Milestone

2014 / 06 Acquired 508 tsubo space

2014 / 06 Acquired 922 tsubo space

2014 / 12 Obtained an additional 20 tsubo for completion

2017 / 10 Signed construction contract

2019 / 10 Construction, fire safety and sanitary inspection qualified

2019 / 10 Construction completion and handover

2019 / 11 business license certification inspection

2020 / 01 soft opening

HOTEL COLLECTIVE FLOOR GUIDE

Hotel

13F

13F Presidential Suite, Junior Suite, Premium Twin, Executive Lounge Altitude

12F

11F

10F

9F

5F~12F Junior Suite, Deluxe Twin, Superior Twin

8F

7F

6F

5F

4F

4F All Day Dining, Bar Lounge Divertido, Chapel, Bridal Room, Swimming pool (kids pool Included), Outdoors Jacuzzi

3F

3F Chinese Restaurant Kyo Garden, Fitness Sauna & Bathroom, ASIAN RELAXATION SALON 、SANATIO SPA NAHA

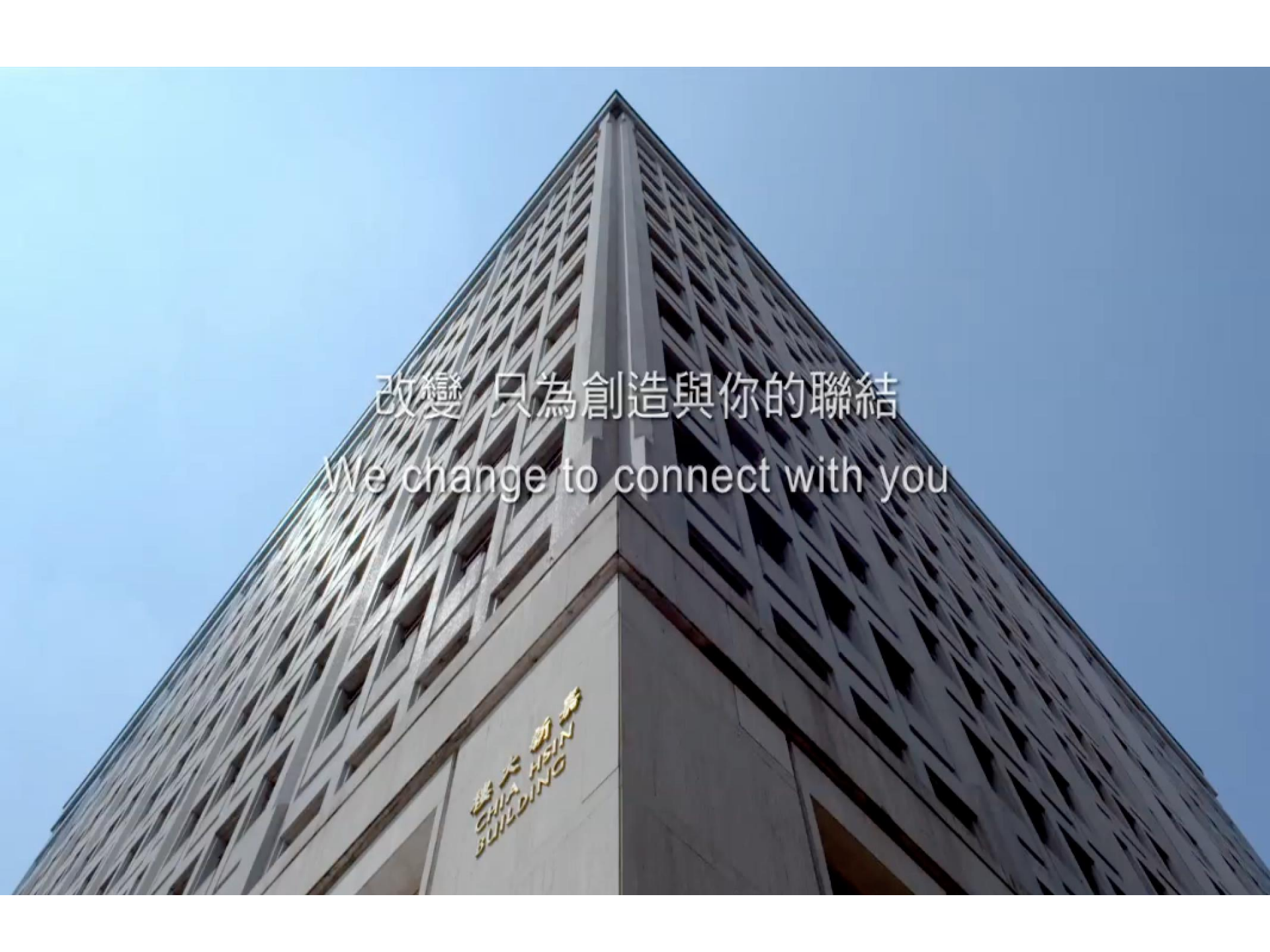
2F

2F Large Banquet Hall, Medium Banquet Hall

1F

1F Reception, Concierge, Tenant, Group Check-in Counter

B1F



改變 只為創造與你的聯結
We change to connect with you

裕元新華
CHIA HSEIN
BUILDING

- Strengthen the cement distribution business in Taiwan
- Indirect investment in China and other regions through strategic holding of TCC shares

- Deploy cement, gravel and aggregates logistics centers in Taipei Port, Taichung Port and Keelung Port

Cement Sales
and
Investment

Storage and
Logistics

- Joint venture with LDC Hotel Group to operate A. Roma Hotel in Italy.
- Established a postpartum care brand "Gem Care"
- Our 1st hotel by the name of "HOTEL COLLECTIVE" is expecting to open in Spring, 2020

Hospitality
Business

Asset
Development
and
Mangement

- Activate domestic assets through urban renewal and cashflow revitalization
- Improve rental earnings rate
- Increase Financial

Portfolio returns

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	Ongoing urban renewal applications
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

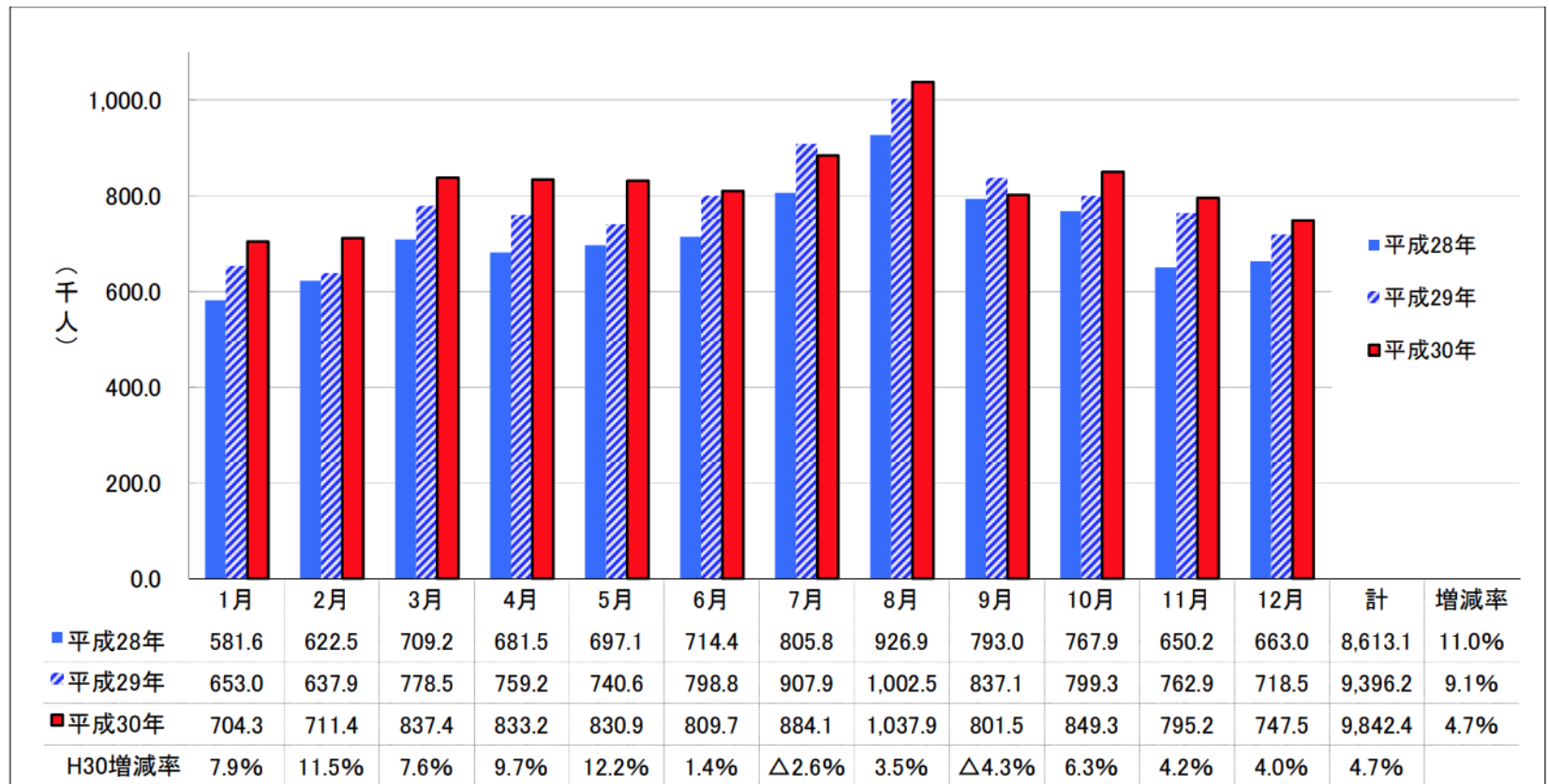
Location	Total Land Area (square meter)	Total Land Area (ping)
Domestic	669,900	202,600
Overseas(Japan)	41,500	12,500

New Hotels in Okinawa

	Location	Hotel Category	Year Opened	Rooms
hotel collective (by CHC)	Naha	Full Service	2020/01	260
Hyatt Regency	Onna	Resort	Opened	344
Hilton (by Mori trust)	Sesoko Island	Resort	2021	300
Iraph Sui, The LUXURY Collection (by Mori Trust)	Miyako Island	Resort	Opened	67
Halejulani Okinawa (by Mitsui Fudosan)	Onna	Resort	Opened	360
Double Tree resort	Chatan	Resort	Opened	160
JR Blossom	Naha	Limited Service	Opened	218
Hotel Aqua Citta Naha (by WBF)	Naha	Limited Service	Opened	203

The number of tourists visiting Okinawa is increasing year by year

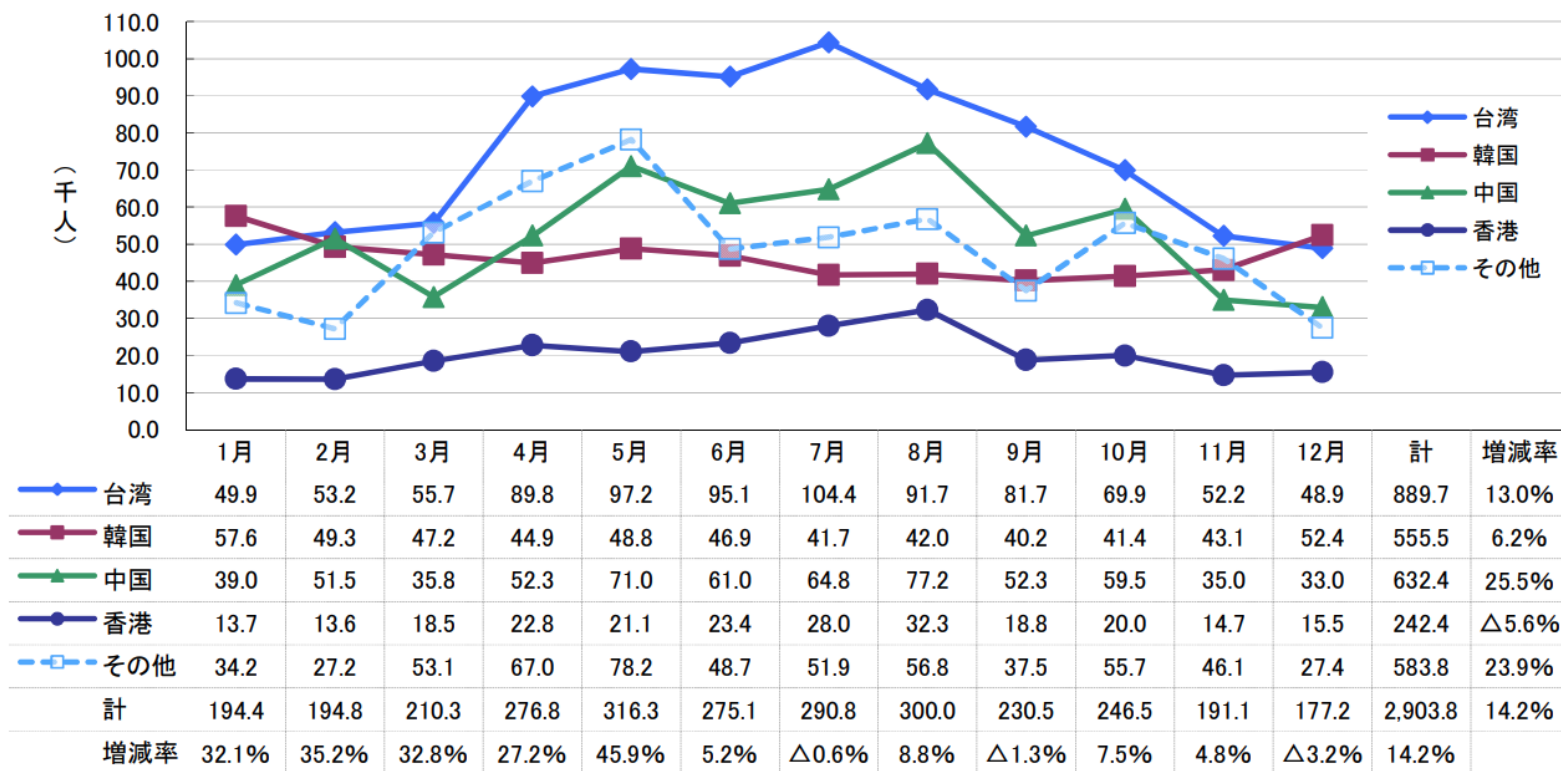
- In 2018, the total number of visitors to Okinawa reached 9,842,400. Foreign visitors account for 29.50% of the total.



資料來源：沖繩縣政府觀光事務單位

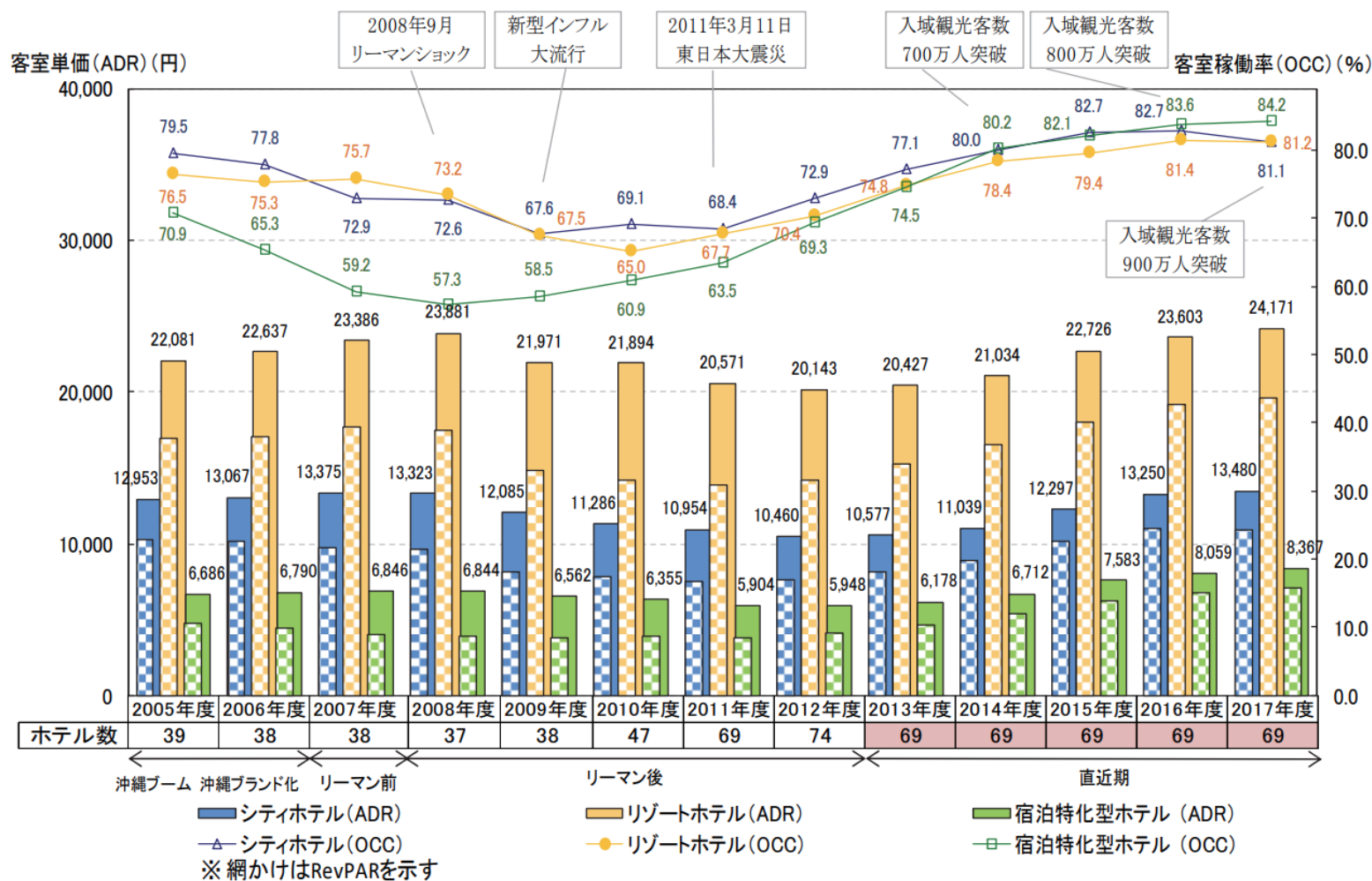
Foreign visitors became the major driving force to the growth of tourism in Okinawa

- From 2014, there are over 6 million domestic tourists visiting Okinawa yearly.
- Among foreign visitors to Okinawa, visitors from Taiwan topped.



資料來源：沖縄縣政府観光事務單位

Steady growth sustained on ADR and OCC in Okinawa hotels



資料來源：沖縄振興開発金融公庫