

Holiday Garden Hotel Group Investor Conference-2018 Q3

Stock code:2702



HOLIDAY GARDEN HOTEL

Meeting Process

- ◎ **Hotel Garden Group Introduction**
- ◎ **Operation Overview**
- ◎ **Business Policy**

Company History

- AD 1946, President Chiang Kai-shek called on overseas Chinese to return home to invest overseas tourist hotels, the company founder Mr. Chen Zhipei their brother, Mr. Chen Zhi Jin policy response, returned to find given Kaohsiung Kuni Road No. 279, Ping land planning to set up more than 1,500 international class tourist hotel, a first-class tourist hotel built overseas Chinese precedent, so far has 60 years of operation °

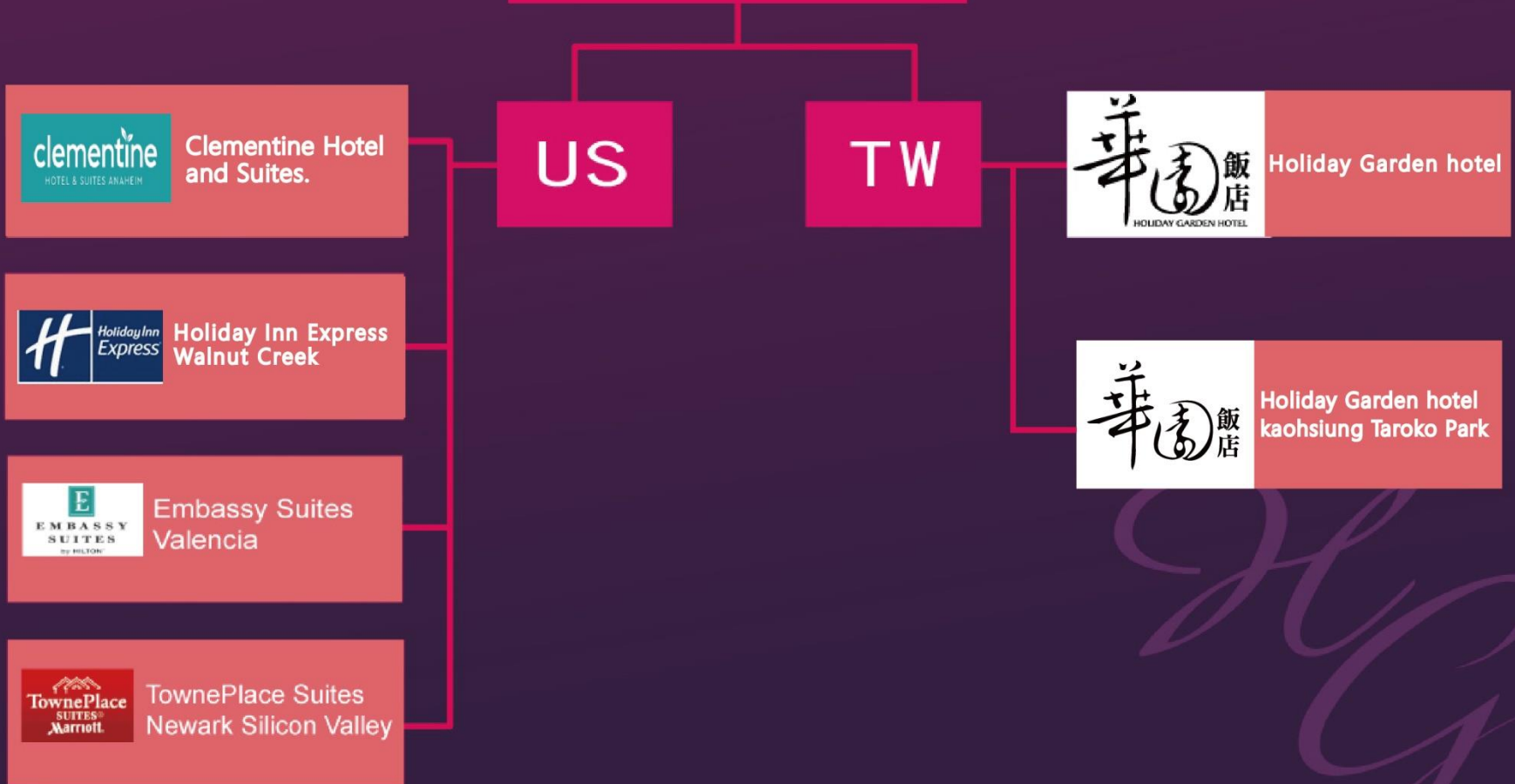
Hotel construction in three phases

- ◉ The first phase of the project:
AD in January 1957 began the construction, completed in January 1959 AD
Number of rooms: 34.
- ◉ Phase II expansion project:
AD 1967 began construction, completed in 1969 AD
Number of rooms: 120.
- ◉ Phase III expansion project:
AD 1976 began construction, completed in 1979 AD
Number of rooms: 279.

Stock market

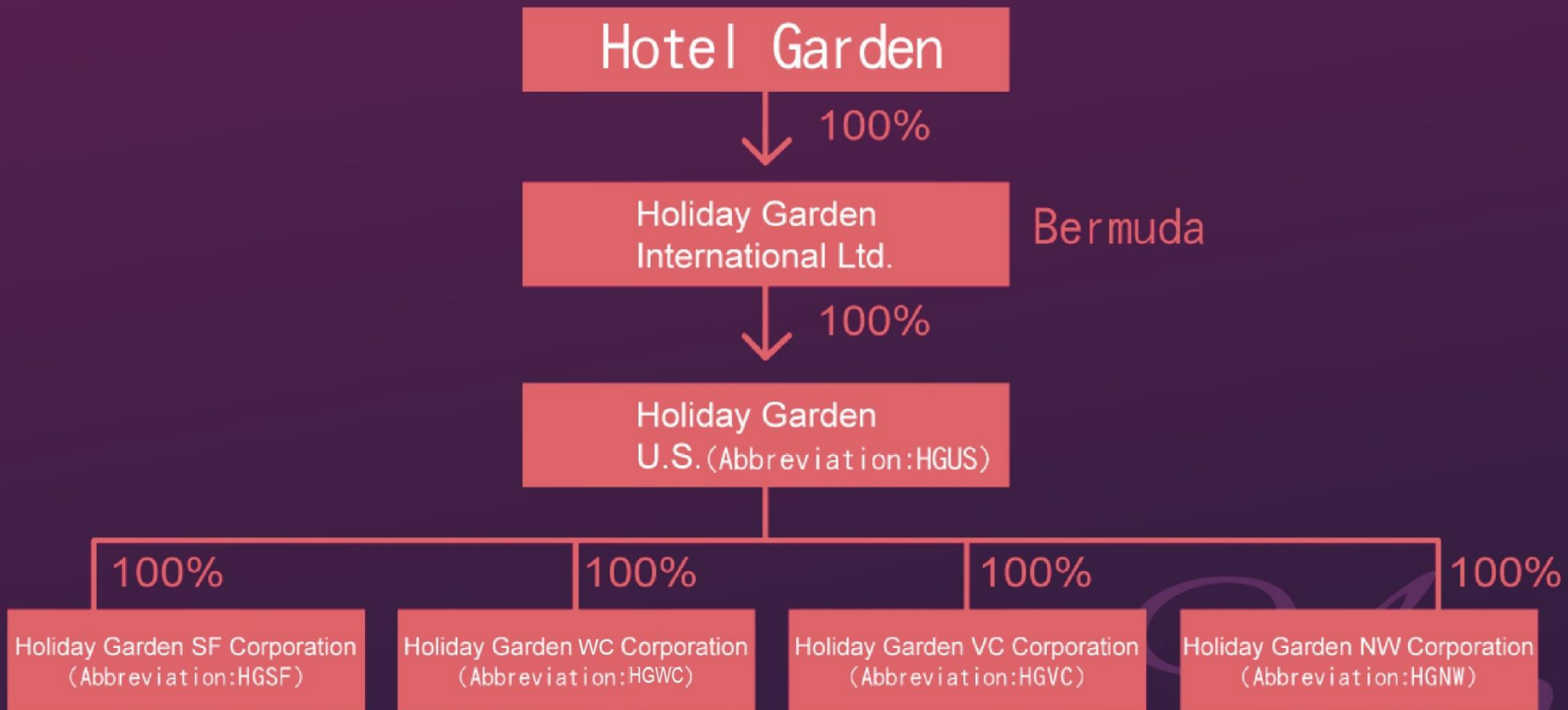
- ⦿ listed on the stock in 1965 AD
- ⦿ Stock Code: 2702
- ⦿ To date the session for half a century.

Hotel Garden Group



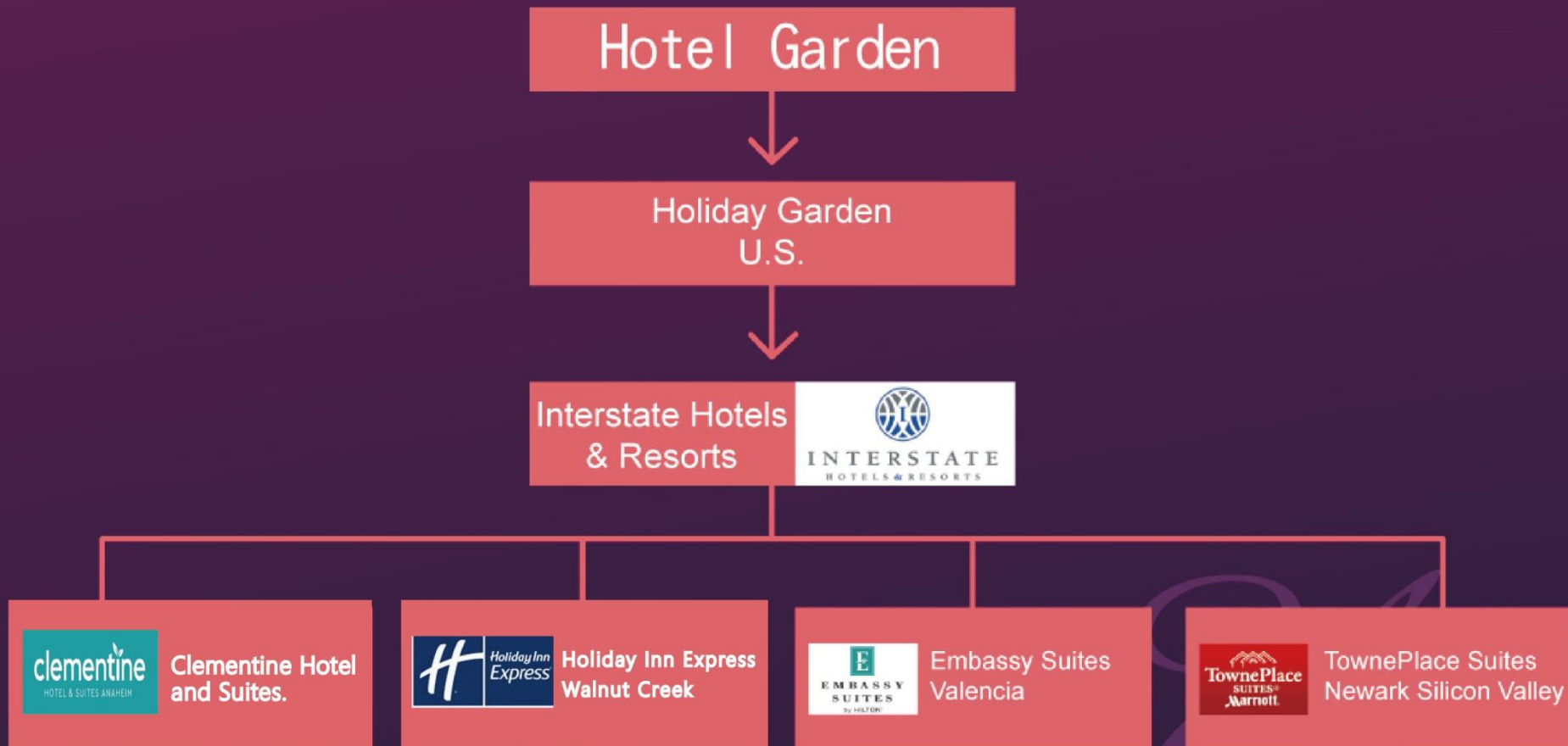
HOLIDAY GARDEN HOTEL

Organization Status



HOLIDAY GARDEN HOTEL

Overseas Management Architecture



HOLIDAY GARDEN HOTEL

Group Profile

	HG	HGSF	HGNW	HGVC	HGWC	HGTP
Hotel Brands	Hotel Garden Hotel	Clementine Hotel & Suites Anaheim	TownePlace Suites Marriott	Embassy Suites By Hilton	Holiday Inn Express Walnut Creek	Hotel Garden Hotel
Ownership	100%	100%	100%	100%	100%	100%
Rooms	279	200	125	156	164	96
Restaurants	6	1	1	2	1	1
Conference Rooms	3	Nil	1	2		2
Leisure Facilities	Fitness Center Outdoor Pool & SPA	Fitness Center Outdoor Pool & SPA port Court	Fitness center Outdoor Pool & SPA	Fitness Center Outdoor Pool & SPA	Fitness Center Outdoor Pool & SPA	Flight Deck Play Pit In Lounge Outdoor children's play area
Date of Opening	1959.07	1997.12.31	2015.09.09	2015.09.10	2016.07.12	2018.11.13

Hotel Status

- ◉ AD 2004 room facilities fully updated.
- ◉ AD 2007, renovated facades, lobby, restaurant and 79 guest rooms.
- ◉ AD 2012, is being renovated restaurant and 200 guest rooms.
- ◉ AD January 2012
- ◉ Kaohsiung City Government Notice Hotel zoning changes by the authority land into commercial land.



Hotel Garden

www.hotelhg.com.tw

Holiday Garden Hotel Kaohsiung

Fashion style renovation



DESIGN HOTEL
enjoy your colorful life

TEL : 07-2410123 FAX : 07-2410123 Address : No.279, Liuhe 2nd Rd., Qianjin Dist.,
Kaohsiung City 801, Taiwan (R.O.C.)



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Dream Castle Wedding



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HOTEL HOLIDAY GARDEN

星光璀璨 Star Brilliance

西式城堡婚宴
Love Wedding



碩麗晶 REGENT

紫醉金迷東方風
Love Wedding



竹林 Forests Dynasty Room

日式典雅簡約風
Love Wedding





獨創飲茶時尚新風格 品嚐道地港式美饌



高雄唯一現點現做的港式吃到飽餐廳

現在就跟隨溫SIR與隋棠的步伐，一起到「旺角」重回那一年的幸福時光吧！
(旺角茶餐廳為偶像劇「那一年的幸福時光」拍攝場景)



訂位專線：07-9511111 高雄市六合二路279號(華園飯店一樓)





中式自助餐

HOLIDAY GARDEN HOTEL



Taroko **FUN LIFE**



Holiday Garden Hotel Kaohsiung Taroko Park

Open 2018.11.13

HOLIDAY GARDEN HOTEL

Geographic location

Close to Taroko Park Shopping Center
Next to Suzuka Circuit Park



The geographical environment is located south of
National Highway No.1

Taroko Park is connected to the Kaohsiung
International Airport and the international port of the
three countries.

The entrance to the hotel is connected to the entrance
of the Taroko Park parking lot.

Straight to the second parking lot of Taroko Park
Follow the signs and turn right into the hotel parking lot.





**Combines Taroko Park Shopping Center
The field environment and characteristics of
Suzuka Circuit Park**

**Holiday Garden Hotel Kaohsiung Taroko Park
Creation**

**A hotel suitable for family fun and family fun
There are a total of 96 rooms.**



Lobby

Bright color design and light transformation in red, yellow, blue and black

Create a lobby style for the racing theme space

On the right side of the hall, a special display area for the kart racing car is set up.
The turf track design on the wall simulates the style of the actual track

Combine speed and topicality ◦



Leo's Station Breakfast Room

Meal time 7:00~11:00

Exclusive children's dining table
and festive dining space

In addition to providing healthy
and delicious meals



In order to add to the fun of dining,
Chef intimate also prepares cute special meals and DIY waffle maker for children.



Pit In Lounge
Open 24 hours

Children's audiovisual leisure space

When guests check-in, they can
provide a small guest lounge space to
watch TV programs or read books
(providing borrowing)

Free popcorn



HOLIDAY GARDEN HOTEL

Flight Deck Play Room

Opening hours 9:00~21:00

Children's play area with the theme of aviation aircraft

The game room is paved with an environmentally friendly non-toxic rubber floor (EPDM) that is highly elastic, shock-absorbing and wear-resistant.

The game room includes a game experience area, a ferris wheel pitching area, a ball pool area and a slide. Let children experience different life experiences and fun of various themes from the game.



Circuit Play Ground

Opening hours 7:00~21:00

Outdoor recreation space with children's play facilities.



Airplane Family Room

One bed + bunk bed

Shuttle on the bunk
Sitting in the plane

Window light source
Creating natural light in the
shape of clouds

Traveling in the sky like an airplane
Give children a free imagination
space



Harbor Family Room
Two queen beds + bunk bed

Container terminal at
Kaohsiung Harbor

Parent-child type

Colorful container ship wall

Designed to bring a lively
experience to the
visual, bunk beds

The cloud-shaped back
panel that extends to
the ceiling makes
the stay more
interesting.



HOLIDAY GARDEN HOTEL

MRT Family Suite

One bed + one couch

The Kaohsiung MRT is the parent-child type of the main axis.

Japanese-style bed as a child's bed

Create a simulated reality car ride to enjoy Kaohsiung

The sense of space along the way.

The living area of the living room is separate from the bedroom, and parents can have a separate space to relax when the child is resting.



Race Track View Room

Number of rooms: 9 pings

Watch Suzuka Circuit Park

The best viewing room for exciting scenes in racing corners



Race Car Family Suite

One bed + one couch

a wall design that expresses the sense of speed with lines,

The living room uses styling iron pieces to present an industrial style.

Use racing graphics and podium in the bedroom

The locker shows a real atmosphere.

The living room and bedroom create a separate space in a sliding way to make the use of the guest more convenient.



MRT ViewSuite

One bed + one couch

The room offers large windows, good views, and views of the city and Kaohsiung MRT.

The route and the railway scenery that the car body travels through.

The bed is designed as a child's bed in the shape of a MRT, and it has a more interesting game.



Race View Suite

One bed + one couch



Watch the best view of the Mini Suzuka track car!

The room is decorated in a red racing style with a spacious, unobstructed view of the open window, allowing guests to experience the atmosphere of a racing car.



The separate area of the guest bedroom separates sleep and leisure from interfering with each other.



California Disneyland



Anaheim Residence Inn Marriott









Holiday Inn Express Walnut Creek









Embassy Suites by Hilton Valencia















TownePlace Suites Newark Silicon Valley









2018/Q3 period comparison BS (Assets)

Hotel Garden Group				
Consolidated Balance Sheet				
(NTD/Thousand)	30/09/2017	%	30/09/2018	%
Current assets				
Total cash and cash equivalents	838,568	16	1,899,673	31
Total current financial assets at fair value through other comprehensive income	0	-	51,005	1
Adjustments for change in value of current available-for-sale financial assets	49,602	1	0	-
Notes receivable, net	139	-	279	-
Accounts receivable, net	49,501	1	44,348	1
Other receivables, net	1,638	-	1,802	-
Inventories	294	-	300	-
Prepayments	6,191	-	6,918	-
Non-current assets classified as held for sale, net	0	-	0	-
Total other current assets	601,207	11	585,746	10
Total current assets	1,547,140	29	2,590,071	43
Non-current assets	0		0	
Land, net	1,255,016	23	1,180,389	20
Buildings and structures, net	1,215,738	22	919,633	15
Utilities equipment, net	31,092	1	32,515	1
Business facilities (for hotel business), net	694,849	13	666,299	11
Leasehold improvements, net	0	-	1,314	-
Other facilities, net	3,638	-	3,965	-
Unfinished construction and equipment under acceptance	0	-	21,253	-
Other intangible assets, net	489,203	9	408,878	7
Deferred tax assets	179,855	3	154,932	3
Prepayments for business facilities	0	-	5,927	-
Guarantee deposits paid	5,862	-	6,969	-
Total other non-current assets, others	401	-	2,283	-
Total non-current assets	3,875,653	71	3,404,358	57
Total assets	5,422,792	100	5,994,429	100

2018/Q3 period comparison BS(L&E)

Hotel Garden Group					
Consolidated Balance Sheet					
(NTD/Thousand)	30/09/2017	%	30/09/2018	%	
Current liabilities	0		0		
Short-term borrowings	1,049,477	20	1,156,000	20	
Short-term notes and bills payable	130,000	2	130,000	2	
contract liabilities	0	-	13,476	-	
Notes payable	2,110	-	937	-	
Accounts payable	2,939	-	4,183	-	
Other payables	121,073	2	107,587	2	
Current tax liabilities	47,834	1	120,649	2	
Liabilities related to non-current assets classified as held for sale	0	-	0	-	
Other current liabilities	169,651	3	201,685	3	
Total current liabilities	1,523,084	28	1,734,517	29	
Non-current liabilities	0		0		
Long-term borrowings	2,428,674	45	2,614,553	43	
Deferred tax liabilities	211,295	4	272,122	5	
Other non-current liabilities	128,332	2	128,332	2	
Total non-current liabilities	2,768,301	51	3,015,007	50	
Total liabilities	4,291,385	79	4,749,523	79	
Equity attributable to owners of parent	0		0		
Ordinary share	1,023,014	20	1,023,014	17	
Capital surplus, additional paid-in capital	2,169	-	2,169	-	
Legal reserve	61,295	1	61,295	1	
Special reserve	71,162	1	71,162	1	
Unappropriated retained earnings (accumulated deficit)	24,417	-	152,691	3	
Total exchange differences on translation of foreign financial statements	(51,475)	(1)	(65,425)	(1)	
Total unrealized gains (losses) on available-for-sale financial assets	825	-	0	-	
Total equity attributable to owners of parent	1,131,408	21	1,244,906	21	
Total equity	1,131,408	21	1,244,906	21	
Total liabilities and equity	5,422,792	100	5,994,429	100	

2018/Q3 period comparison PL

Hotel Garden Group				
Consolidated Income Statement				
(NTD/Thousand)	30/09/2017	%	30/09/2018	%
Total operating revenue	0		0	
Hospitality service revenue, net	1,028,324	100	888,800	100
Total operating revenue	1,028,324	100	888,800	100
Cost of travel services (for hotel business)	(268,351)	(26)	(175,248)	(20)
	759,973	74	713,552	80
Total administrative expenses	(664,308)	(65)	(761,609)	(86)
	95,664	9	(48,057)	(5)
Total non-operating income and expenses	0		0	
Total interest income	2,423	0	16,235	2
Rent income	1,554	0	1,554	0
Other income, others	281	0	275	0
Gains on disposals of investments	(1,570)	0	0	0
Foreign exchange gains	2,469	0	12,623	1
Gains on financial assets (liabilities) at fair value through profit or loss	0	0	(555)	0
Miscellaneous disbursements	(1,191)	0	20	0
Losses on disposals of property, plant and equipment	(138)	0	411,630	46
Finance costs, net	(71,343)	(7)	(102,386)	(12)
Total non-operating income and expenses	(67,515)	(7)	339,397	38
	28,150	3	291,340	33
Total tax expense (income)	(6,846)	(1)	(141,755)	(16)
Profit (loss)	21,303	2	149,585	17

Operation Revenue Status

Year / Unit	Group (NTD/K)	Taiwan (NTD/K)		US subsidiaries (NTD/K)	
Y 2015	868,056	192,492	22.18%	675,564	77.82%
Y 2016	1,386,669	162,810	11.74%	1,223,859	88.26%
Y 2017	1,365,015	121,206	8.88%	1,243,809	91.12%
Y 2018 Q3	888,800	72,793	8.19%	816,007	91.81%

Dividend Distribution

(NTD / K)	2010	2011	2012	2013	2014	2015	2016	2017
Consolidated Revenue	491,824	519,653	550,584	646,667	704,273	868,056	1,386,669	1,365,015
Net Profit (After Tax)	73,109	74,137	70,248	38,068	62,846	56,771	61,427	(2,308)
Cash Dividend	10,391	15,765	23,351	16,501	8,746	13,512	11,350	14,755
Cash Dividend /Per share	0.15	0.21	0.30	0.20	0.10	0.15	0.12	0.12
Stock Dividend	41,564	44,058	46,701	49,503	26,237	45,040	37,833	39,347
Stock Dividend /Per share	0.60	0.60	0.60	0.60	0.30	0.50	0.40	0.40

Assets Acquisition and Disposal

Gain or loss of Residence Inn Sacramento Disposal
Date on : 2017/12/22

Disposal Price (USD)	23,500,000.00
Net Book Value (USD)	(9,677,476.96)
Profit	13,822,523.04

Business Policy

- ◆ Increase number of domestic and foreign hotel
- ◆ Increase cash flow
- ◆ Improve ROE and EBITDA ratio
- ◆ Reduce debit ratio
- ◆ Develop entrusted operation and management business model

Welcome To Kaohsiung !
Welcome To California !
Welcome To Holiday Garden Hotel !



HOLIDAY GARDEN HOTEL