



中翔國際集團有限公司  
China International Holdings Limited

# **Annual General Meeting & Special General Meeting**

**10:00 am, 23 April 2021**

# Safe Harbour Statement

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The presentation contains forward looking statements which can be identified by the context of the statement and generally arise when the Company is discussing its beliefs, estimates or expectations. Such statements may include comments on industry, business or market trends, projections, forecasts and plans and objectives or management for future operations and operating and financial performance, as well as any related assumptions.

Readers of this presentation should understand that these statements are not historical facts or guarantees of future performance but instead represent only the Company's belief at the time the statements were made regarding future events, which are subject to significant risks, uncertainties and other factors, many of which are outside of the Company's control. Actual results and outcomes may differ materially from what is expressed or implied in such forward-looking statements.

The Company cautions readers not to place undue reliance on any forward looking statements included in this presentation which speak only as of the date made, and should any of the events anticipated by the forward-looking statements transpire or occur, the Company makes no assurance on what benefits, if any, the Company will derive there from.

# Content

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**CIH**

- ◆ FY2020 Business Performance
- ◆ FY2018-2020 Group Financial Performance
- ◆ Capital Management and Corporate Strategy
- ◆ Appendix - Summary of Financials

# FY2020 Business Performance

**CIH**

## ◆ Water Treatment Business

- The Group recorded a revenue of RMB158.20 million, mainly from the water supply segment which comes from the 60%-owned subsidiary, CIHL (Tianjin) Water Development Company Limited, an increase of approximately 150% over 2019.
- The Group recorded a net profit of RMB65.9 million in FY2020 compared to RMB25.9 million in FY2019 which mainly from both higher revenue on construction of water pipelines as well as newly recognized revenue from waste water treatment services provided by the Xinhe project (新河污水处理及再生项目), an increase of approximately 154% over 2019.
- The Group has weathered the onset of Covid-19 in our main business segment.

# FY2020 Business Performance

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## ◆ **Xinhe Water Recycling Plant**

- The Xinhe project is a water treatment plant for reclaimed water. It treats the water discharged from a wastewater treatment plant to the standard of reclaimed water, to be fed into the network of the Tianjin Water.
- The Group completed the construction of the Xinhe project in December 2019.
- The Xinhe project had led to significantly increase in the water supply capacity up to 50,000 m<sup>3</sup> per day of recycled water and 70,000 m<sup>3</sup> per day of wastewater treatment.

# FY2020 Business Performance

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## ◆ **Tianjin Lingang Water project**

- It is an expansion project to re-pressurize water from Tianjin Water's pipeline network for supply to local users. And the total capital cost of the expansion project is estimated at about RMB70 million.
- This Project commenced construction in year 2020 and is expected to be completed by the end of 2021 or early 2022.
- The Tianjin Lingang Water project is expected to lead to an increase in the sales of treated water to the service areas.

# FY2020 Business Performance



## ◆ Property Development - Yichang Project

- The property development project in Yichang City, Hubei Province requires undertaking construction and related business activities.
- The Yichang Project holds land use rights to a total site area of 587,726 square meters comprising residential properties, a convention centre, a hotel and an associated commercial space. In Yichang market, sales and prices have seen moderate increases. Our Yichang XSG project has also seen its sales prices increased compared to previous years.
- The development properties in the Yichang Project comprise of units in completed Phase 1, Phase 2, “new” Phase 3 (formerly named Phases 3 and 4) and Service Apartments (“SA”). As at 31 December 2020, the total saleable area for the Phase 1, Phase 2, “new” Phase 3-1, “new” Phase 3-2, “new” Phase 3-3 and SA is approximately 546,331 square meters, and the take-up rates for Phase 1-1, Phase 1-2, Phase 1-3, Phase 2, “new” Phase 3-1, “new” Phase 3-2, “new” Phase 3-3 and SA were 95.05%, 100%, 91.04%, 91.79%, 90.68%, 94.23%, 30.37% and 30.38% respectively.

# FY2020 Business Performance

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## ◆ **Property Development - Yichang Project**

- The “new” Phase 3-1 was completed during Q3 2020. The “new” Phase 3-2 has been completed. The “new” Phase 3-3 and SA are also in the process of construction. The KYWJ Group expects to complete the development of “new” Phase 3-3 and SA by Quarter 2 of 2022.
- The onset of COVID-19 in 2020 has caused significant disruptions to the movement of people, goods and services throughout China in the first half of 2020. It has caused disruptions to labor supply for the project as well as the government approvals for the project. The recovery in the second half of 2020 has benefited the results of the project for the whole year.



# FY2020 Business Performance

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## ◆ The Scenes of Yichang Project



二组团交付



# FY2020 Business Performance

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## ◆ The Scenes of Yichang Project



三组团施工现场

# FY2018-2020 Group Performance

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<b>Year</b>	<b>Revenue</b>	<b>EBITDA</b>	<b>EBITDA Margin</b>	<b>Profit / (loss) attributable to equity holders of the Company</b>	<b>EPS</b>	<b>Net Asset Value attributable to owners of the parent</b>	<b>Number of Shares</b>	<b>Net Asset Value per Share</b>	<b>ROE</b>
	<b>RMB'000</b>	<b>RMB'000</b>	<b>%</b>	<b>RMB'000</b>	<b>Fen</b>	<b>RMB'000</b>	<b>'000</b>	<b>RMB</b>	<b>%</b>
<b>2018</b>	<b>89,681</b>	<b>31,949</b>	<b>36</b>	<b>7,162</b>	<b>10.05</b>	<b>312,537</b>	<b>71,234</b>	<b>4.39</b>	<b>2.31</b>
<b>2019</b>	<b>63,132</b>	<b>40,668</b>	<b>64</b>	<b>18,560</b>	<b>26.05</b>	<b>331,097</b>	<b>71,234</b>	<b>4.65</b>	<b>5.77</b>
<b>2020</b>	<b>158,198</b>	<b>74,831</b>	<b>47</b>	<b>57,055</b>	<b>80.10</b>	<b>390,288</b>	<b>71,234</b>	<b>5.48</b>	<b>15.82</b>

# Capital Management

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- ◆ **A full-year dividend of 3 Singapore cents per ordinary share was recommended for the financial year ended 31 December 2020.**
- ◆ **Internal cashflows will be used to invest in the new water project.**
- ◆ **Group will consider how to manage the medium term capital requirement and strategy, considering factors including:**
  - Share price below NAV per share;
  - Dividend payout based on profitability and cashflows;
  - Return on investment standard;
  - Debt financing availability and risk.

# Corporate Strategy

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- ◆ Actively manage the remaining projects to generate cash from operation and to control the investment in the adverse market situation.
- ◆ Make full use of the expansion possible opportunities in water businesses in other parts of China.
- ◆ Look for property development opportunities within our capital and management capacity.
- ◆ Strive to create satisfactory return for balancing shareholders interests as well as taking into account the company's future growth and expansion requirements.

# Summary of Financials

## FY2018-2020 EBITDA

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Earning Before Interest, Tax, Depreciation, and Amortisation

	FY2020	FY2019	FY2018
	RMB'000	RMB'000	RMB'000
<b>Profit / (loss) for the financial year</b>	65,851	25,925	18,517
Interest expense	5,064	77	2,391
Income tax expense / (credit)	14,918	1,517	1,554
<b>EBIT</b>	<b>85,833</b>	<b>27,519</b>	<b>22,462</b>
<b>Non cash, one time item</b>			
-Allowances for impairment of receivables	-	-	-
-Gain on waiver of amount payable	-	-	-
-Write-down of properties for development	-	-	-
-Fair value gain on investment properties	1,700	-	-
-Impairment loss investment in associated companies	-	-	-
-Impairment loss of property, plant and equipment	-	-	-
-Depreciation	27,316	11,924	9,487
-Amortisation	-	-	-
- Share of (profit) / loss of associated companies	-40,018	1,225	-
<b>EBITDA</b>	<b>74,831</b>	<b>40,668</b>	<b>31,949</b>

# Summary of Financials

## FY2018-2020 EPS



Earning per share for the financial year ended 31 December 2020

	31.12.2020 RMB'000	31. 12.2019 RMB'000	31.12.2018 RMB'000
<b>Profit / (loss) attributable to owners of the company</b>			
Discontinued operations	-	-	-
Continuing operations	57,055	18,560	7,162
	<u>57,055</u>	<u>18,560</u>	<u>7,162</u>
<b>Weighted average number of ordinary shares in issue ('000) *</b>			
	71,234	71,234	71,234
<b>Basic earnings per share (Fen)</b>			
Discontinued operations	-	-	-
Continuing operations	80.10	26.05	10.05
	<u>80.10</u>	<u>26.05</u>	<u>10.05</u>

# Summary of Financials

FY2018-2020 ROE

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**CIH**

## Rate of Return on Common Stockholders' Equity

	Shareholder's equity at the end of financial year RMB'000	Average of shareholder's equity RMB'000	Profit attributable to equity holders of the Company RMB'000	ROE %
2018	312,537	309,820	7,162	2.31
2019	331,097	321,817	18,560	5.77
2020	390,288	360,693	57,055	15.82



# Thank you!

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