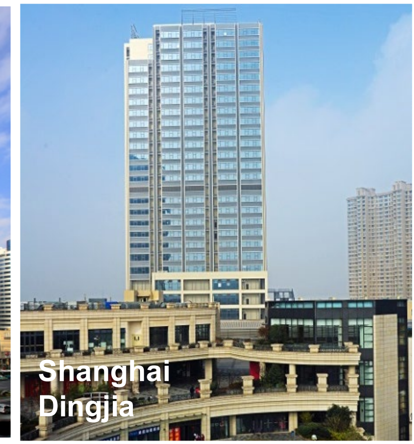


SINO HORIZON HOLDINGS LIMITED
EARNINGS RELEASE CONFERENCE

2021/03/16

Catalog

1. Company Profile

Summarize

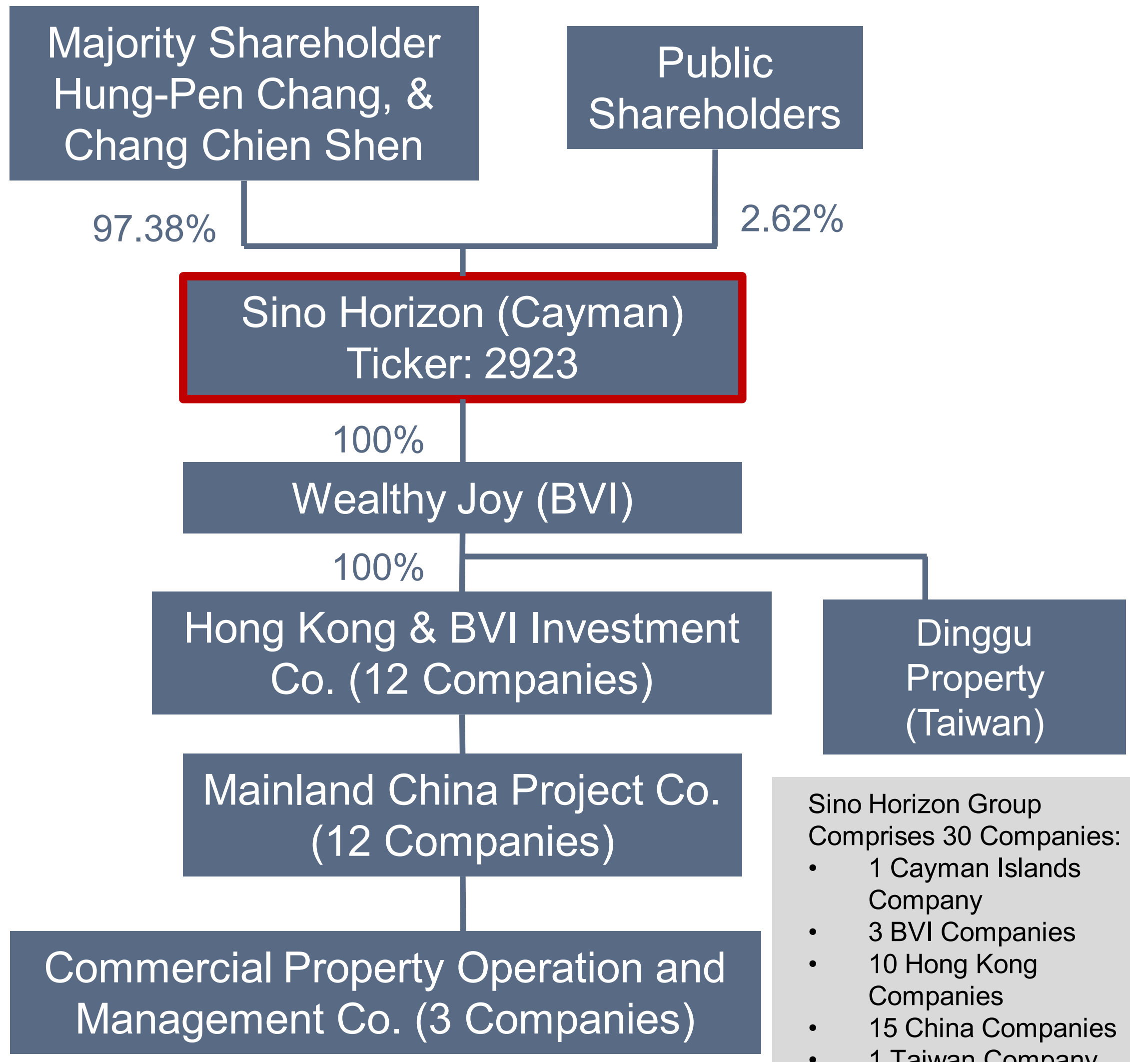
- **Sino Horizon specializes in real estate development, lease, sales, management and others**

In 2001, two Zhang brothers established Beijing Dinggu Real Estate Development Co., Ltd. (renamed to Beijing Dinggu Dinghao Industrial Co., Ltd.), which successively engaged in real estate development, real estate leasing and sales, real estate and parking lots management in China. Sino Horizon Holdings Limited was established in the British Cayman Islands in December 2007. Its headquarter is located in Shanghai. It was listed on the Taiwan Stock Exchange in December 2012 (Ticker: 2923), the first listed company in Taiwan whose main business is real estate in China.

- **2020 Revenue Break Down**

Company Profile

Chairman	Mr. Hung-Pen Chang
General Manager	Mr. Nen-Yao Chang
Establish Date	2007/12
IPO Date	2012/12
Capital	NTD 17.4 billion
Market Cap (2021/03/12)	NTD 70.5 billion
Business Description	Property Development, Leasing, Management and Carpark Service in Mainland China
Employee Headcount	317 as of 2020/12/31



Sino Horizon Group Comprises 30 Companies:

- 1 Cayman Islands Company
- 3 BVI Companies
- 10 Hong Kong Companies
- 15 China Companies
- 1 Taiwan Company

Investment Highlight

Low cost of property purchase

All the land with great development value has been obtained in the primary or secondary market after careful evaluation. The unit cost of land in China has reached new high, which showed that the land company obtained has high-quality development potential.

Excellent property location

Most of the construction projects of Sino Horizon are located in Shanghai and Chongqing which are municipalities directly under the central government, and Kunshan which is China's second-tier city. Also, Sino Horizon selects the land based on the metro development and government new municipal plan.

Commercial construction projects provide stable cash inflows

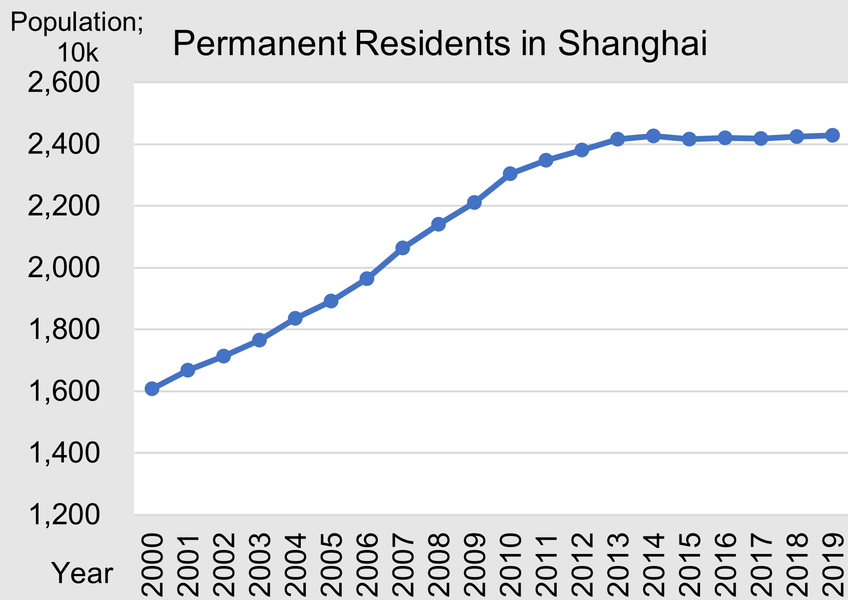
Besides selling the residential, Sino Horizon leases the construction project with excellent location and high commercial interests for office and mall to receive stable cash inflows and obtain the increasing value of the projects.

Sino Horizon Main Development City - Shanghai

Shanghai is the city with the largest GDP in China (2020), with a population of 24.28 mn (2019)

Shanghai is the financial center in China. Based on the convenient geographical location and crucial economic background, many multinational corporations set up their China headquarters in Shanghai. For example, Intel, Pfizer, Bayer, Bosch, General, Motors, Coca-Cola, McKinsey and some international financial companies such as Citi, HSBC, Allianz, Standard Chartered and DBS

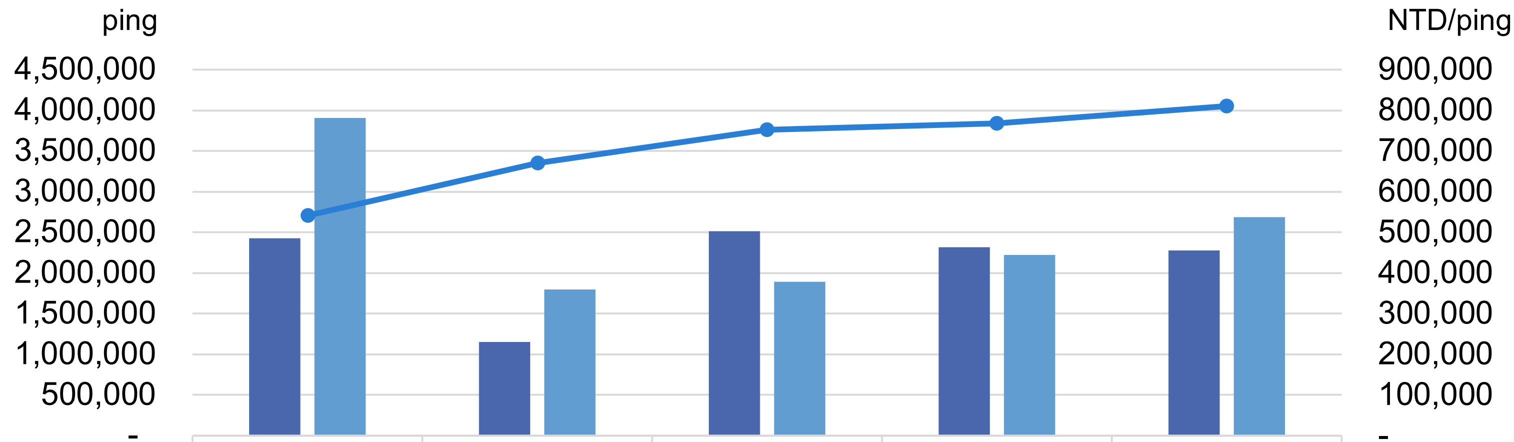
- **Airport Passengers: 120 million (2019)**
- **Shanghai Subway: 20 Subway lines in operation; 67 k passengers/day at Dapuqiao Station on No.9 line in 2020.**



Source: Shanghai Municipal Government Information Office; Shanghai Bureau of Statistics_Shanghai Statistical Yearbook 2020

The Trend of Residential Property Price in Shanghai 2016-2020

The residential market in Shanghai was hot in 2020, with 2.69 million pings of transaction volume hitting a new high from 2017.
The average residential floor price in 2020 is NT$810,000 per ping, showing a slight upward trend.



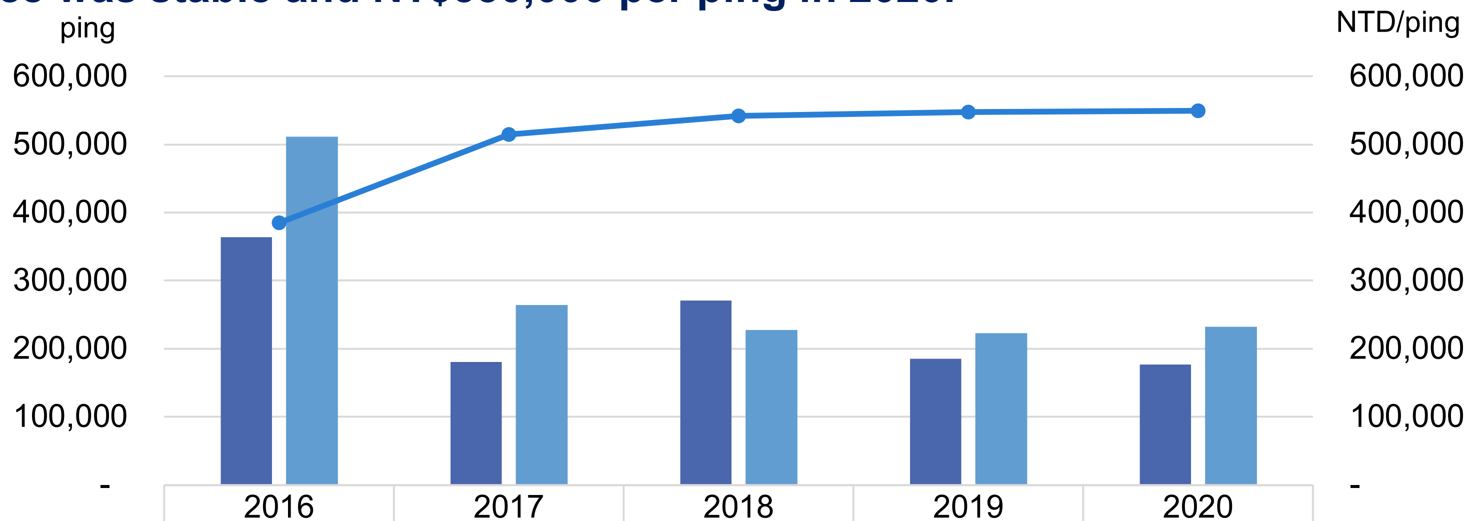
	2016	2017	2018	2019	2020
Total Building Area Supplies (ping)	2,426,353	1,147,715	2,514,955	2,312,461	2,279,186
Settled Building Area (ping)	3,908,814	1,799,421	1,894,588	2,219,443	2,685,807
Floor Price (NTD/ping)	541,688	670,323	751,598	767,946	809,602

•In 2020, total building area supplies in Shanghai was 2.28 million pings. The market supply is stable since 2018.
•In 2020, the settled building area in Shanghai reached 2.69 million pings, yoy 21%. Due to the release of market liquidity and reforms of old urban, the transaction volume hit a new high after 2017.
•In 2020, the average floor price in Shanghai was NT$810,000 per ping, yoy 5%. However, affected by the pandemic, the price limit policy was loosened slightly.

Source：Tospur Real Estate Consulting

The Trend of Residential Property Price in Jiading 2016-2020

The Residential supply had reduced and the market was in short supply from 2019 to 2020.
The average floor price was stable and NT$550,000 per ping in 2020.



	2016	2017	2018	2019	2020
Total Building Area Supplies (ping)	363,908	180,835	270,586	184,949	177,114
Settled Building Area (ping)	511,739	263,810	227,873	222,791	232,441
Floor Price (NTD/ping)	385,311	514,427	541,561	547,959	549,685

- In 2020, total building area supplies in Jiading was 180,000 pings, yoy -4% and most of them are located in Anting District. The total supply slid after 2018.
- In 2020, settled building area in Jiading was 230,000 pings, yoy 4% and most of them are located in Anting District. The market showed short supply.
- In 2020, the average floor price in Jiading was NT$550,000 per ping and slightly increased. Affected by Anting District, the increase in the price in Jaiding was not obvious.

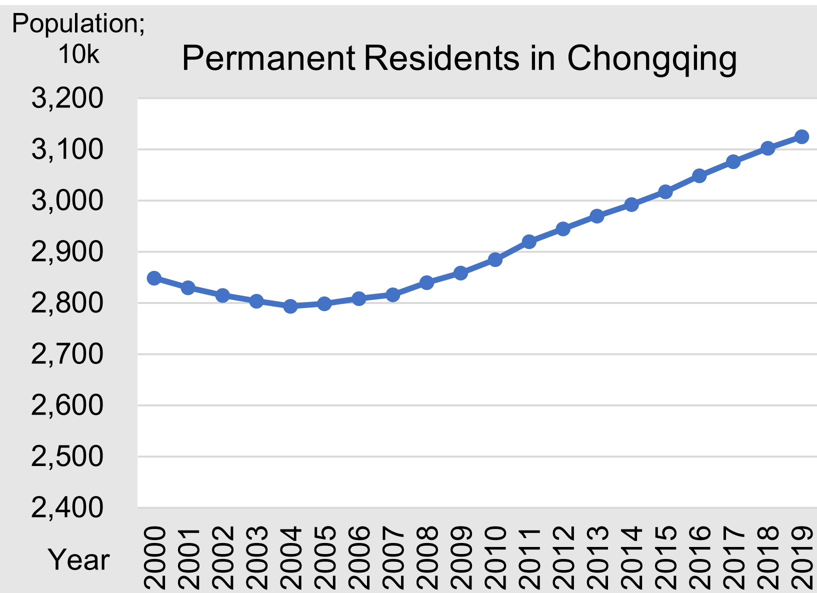
Source：Tospur Real Estate Consulting

Sino Horizon Main Development City - Chongqing

Chongqing is the fastest-growing city among the top 5 cities in China's GDP (2020) with a population of 31.24 mn (2019)

Chongqing is one of the four existing municipalities directly under the Central Government in China. It is the economic, financial, technological innovation, strategic and commercial logistics center in the uppers reaches of the Yangtze River. It is also the most important development and largest industrial and commercial city in the southwest region, with integrated transportation and international aviation hub. At the same time, Chongqing is the most populous city in the world, followed by Shanghai and Beijing.

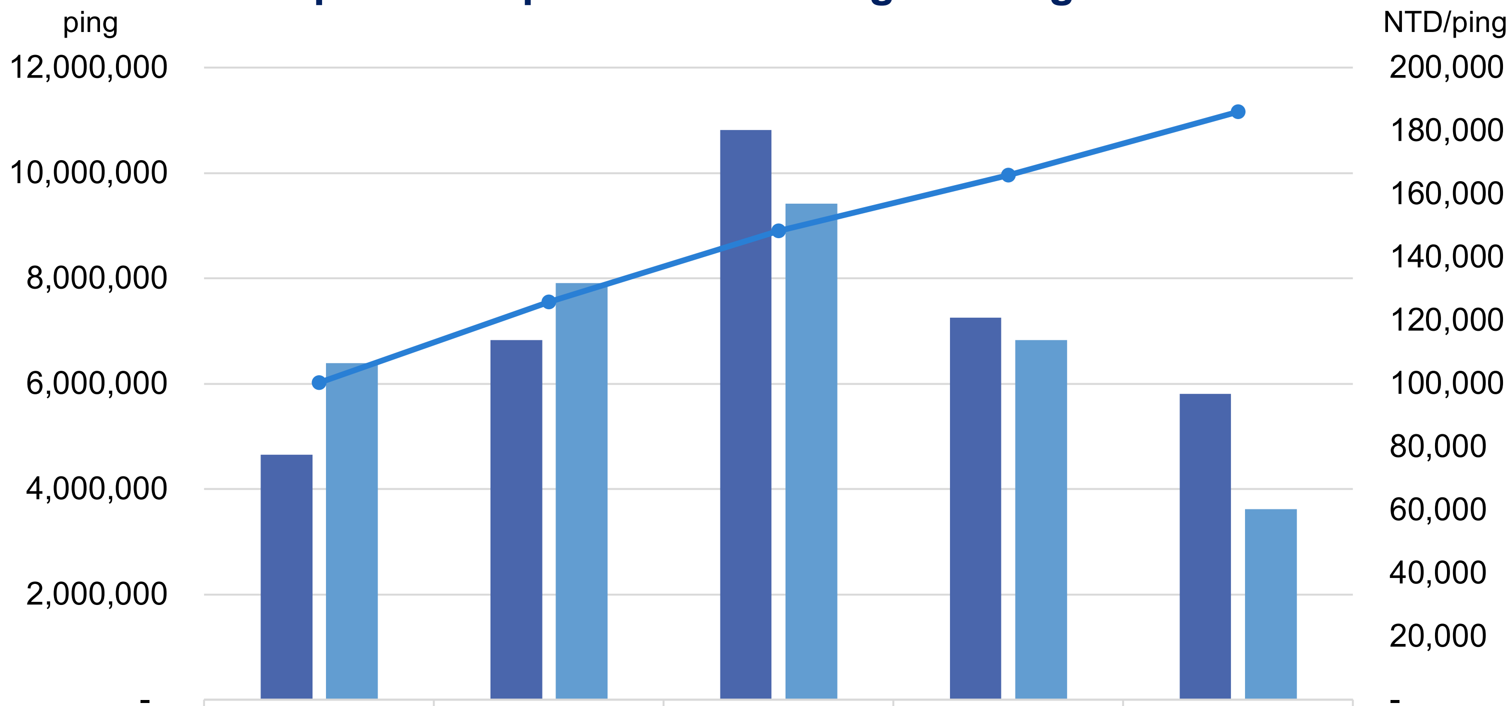
- **Airport Passengers: 46 mn (2019)**
- **Chongqing Subway: 10 Subway lines in operation, 49 k passengers/day at Jiaochangkou Station in 2020.**



Source: Chongqing Municipal Government Information Office; Shanghai Bureau of Statistics_Shanghai Statistical Yearbook 2020

The Trend of Residential Property Price in Chongqing 2016-2020

Chongqing's residential market shows shrinking supply and transaction volume from 2018 to 2020.
The floor prices keep break record highs though.



	2016	2017	2018	2019	2020
Total Building Area Supplies (ping)	4,655,445	6,828,696	10,816,099	7,260,030	5,805,762
Settled Building Area (ping)	6,393,005	7,914,671	9,416,039	6,827,728	3,613,695
Floor Price (NTD/ping)	100,255	125,804	148,366	165,946	186,116

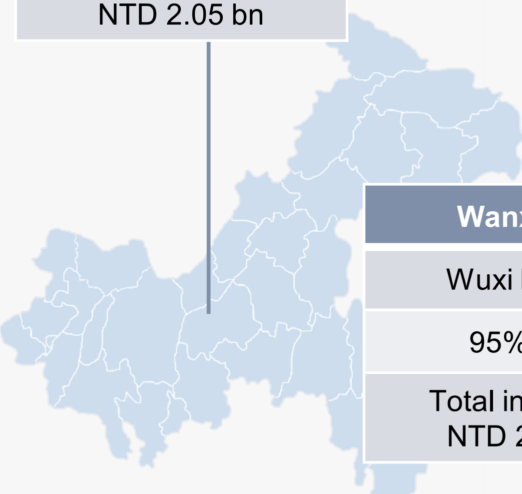
Source：Tospur Real Estate Consulting

2. Business Highlights

Sales of Completed Construction Project

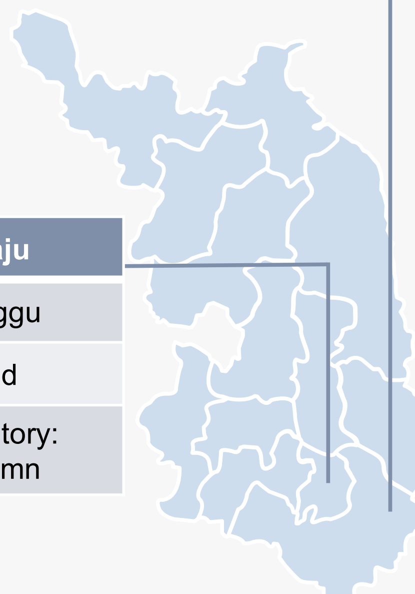
Total inventory was more than NTD 20 bn as of 2020/12

Chongqing



Jiefangbei No.1 Phase III
Chongqing Dinggu
63% sold
Total inventory: NTD 2.05 bn

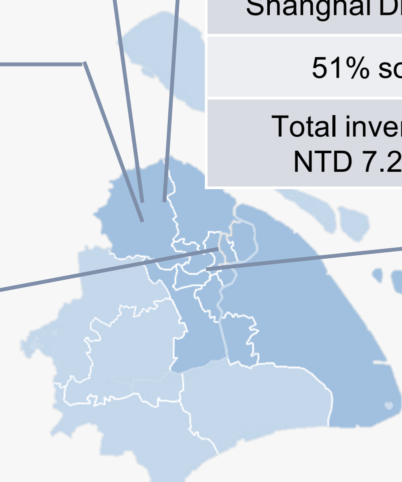
Jaingsu



Earl Land Phase II to IV
Kunshan Dingyao
92% sold
Total inventory: NTD 770 mn

Wanxiyaju
Wuxi Dinggu
95% sold
Total inventory: NTD 271 mn

Shanghai



Sun Moon Light Center, Jiading District (Mall)
Shanghai Hongxiang
24% sold
Total inventory: NTD 980 mn

Dinggu Huating
Shanghai Dingyi
99% sold
Total inventory: NTD 100 mn

Dinggu Junting
Shanghai Dingtong
60% sold
Total inventory: NTD 4.97 bn

Earls Court
Shanghai Dingrong
51% sold
Total inventory: NTD 7.23 bn

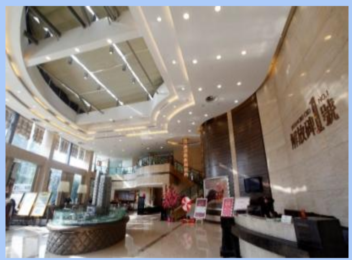
Yuhuashan
Shanghai Dinggu
55% sold
Total inventory: NTD 4.72 bn

*Total inventory is calculated based on the market price

Completed Construction Project

Huangpu, Shanghai – Earls Court

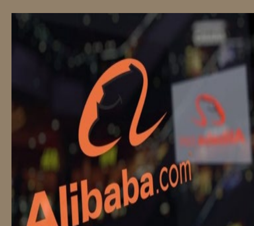
Jiading, Shanghai – Dinggu Junting



Jiefangbei No.1 Phase III – R3

Kunshan, Jiangsu – Earl Land

Completed Construction Project - Earls Court in Shanghai

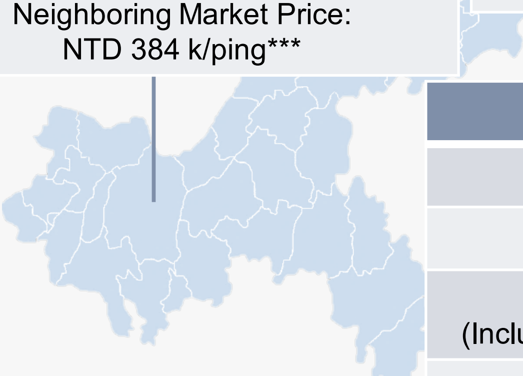


Lease of Completed Construction Project

Total lease revenue was around NTD 2 bn for the recent 3 years and has high potential value-added benefits

Chongqing

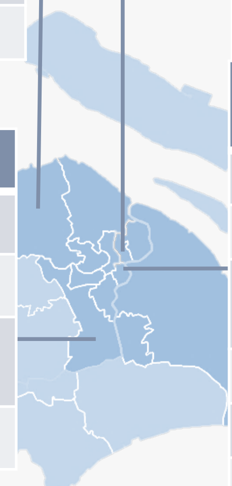
Sun Moon Light Center, Chongqing Jiefangbei (Mall)
Chongqing Dinggu
Occupancy rate 64%
Total Floor Area: 32 k ping (Including Underground Area: 45 k ping)
Revenue: NTD 83 mn
Book Cost: NTD 118.8 k/ping*
Neighboring Market Price: NTD 384 k/ping***



Shanghai

Sun Moon Light Center, Shanghai Jiading (Mall)
Shanghai Hongxiang
Occupancy rate 61%
Total Floor Area: 12 k ping (Including Underground Area: 16 k ping)
Revenue: NTD 48 mn
Book Cost: NTD 212 k/ping*
No reference price recently

Chunshen Liyuan (Mall)
Shanghai Dingxin
Occupancy rate 75%
Total Floor Area: 200 ping (Including Underground Area: 8.6 k ping)
Revenue: NTD 20 mn



Yuhuashan (Mall)
Shanghai Dinggu
Occupancy rate 100%
Total Floor Area: 3.1 k ping (Including Underground Area: 5 k ping)
Revenue: NTD 111 mn
Book Cost: NTD 380 k/ping*
Neighboring Market Price: NTD 930 k/ping**

Sun Moon Light Center, Shanghai Huangpu (Mall, Office)
Shanghai Dingrong
Occupancy rate 88%
Total Floor Area: 42 k ping (Including Underground Area: 81 k ping)
Revenue: NTD 1,434 mn
Book Cost: NTD 465 k/ping*
Neighboring Market Price: NTD 817 k/ping***

*The costs included the land and construction

**Neighboring Market Price is referred to the auction information of land area from government official disclosure (Total auction price/buildable area)

*** Neighboring Market Price is referred to the auction information of building area from government official disclosure (Total auction price/building area)

Sun Moon Light Center

Company	Construction Project	Total Floor Area (ping)	Total Area including Underground (ping)	No. of Merchant	Average Daily Passengers	Occupancy Rate	2020 Revenue
Chongqing Dinggu	Sun Moon Light Center, Chongqing Jiefangbei	32,000	45,000	146	26,000	64%	NTD 83 mn
Shanghai Dingrong	Sun Moon Light Center, Shanghai Huangpu (Mall)	42,000	81,000	335	76,000	87%	NTD 1,048 mn
	Sun Moon Light Center, Shanghai Huangpu (Office)			44	N/A	89%	NTD 386 mn
Shanghai Hongxiang	Sun Moon Light Center, Shanghai Jiading	12,000	16,000	55	20,000	61%	NTD 48 mn


Chongqing Jiefangbei


Shanghai Huangpu


Shanghai Jiading

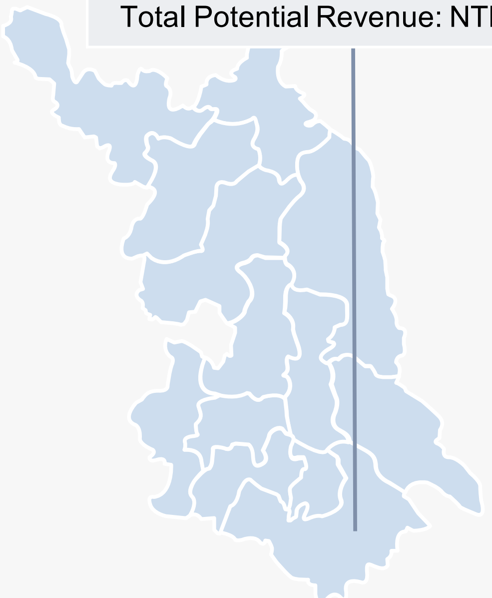
Aerial View of Sun Moon Light in Dapuqiao

Status of Developing Construction Project

Total potential sales of developing construction project is more than NTD 30 bn

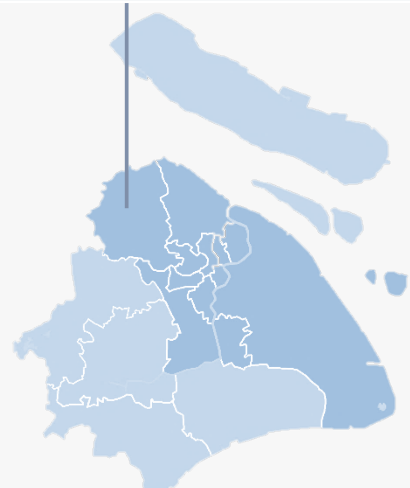
Jiangsu

Earl Land
Kunshan Dingyao
Completion in 2023
Total Area to be Sold: 33,000 ping
Total Potential Revenue: NTD 9.38 bn



Shanghai

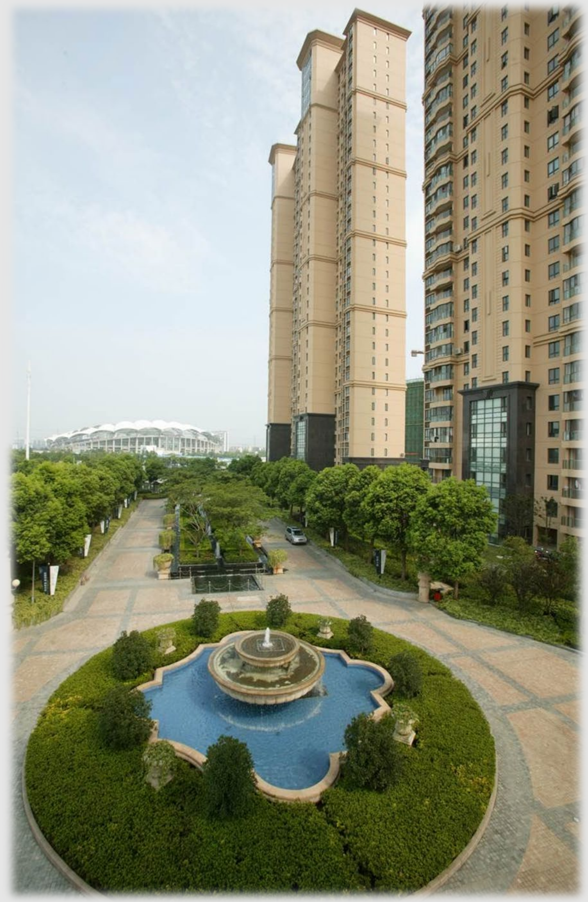
Huijing Hua Ting
Shanghai Minglong
Completion in 2022
Total Area to be Sold: 41,000 ping
Total Potential Revenue: NTD 22.79 bn



Aerial View of Kunshan Dingyao – Earl Land

Next to Kunshan Sport Center

Real Picture of Kunshan Dingyao – Earl Land



Overview of Jiading Plot Planning

Besides commercial office buildings, leisure commercial center and hotels, there are more than 4,900 households in Jiading Plot

- **Commercial – Dinggu Commercial Center**

  Composed of 2 super high-rise commercial office buildings and 1 large leisure commercial center.

- **Residential – Dinggu Junting**

  Composed of 1 hotel and 4 high-rise residential buildings.

- **Residential – City Huating & Commercial – Jiading Dinggu Building**

  Composed of 1 apartment office,1 rental office, 6 high-rise residential buildings and commercial shops along the street and a 3,600 square meter bus hub.

- **Residential – Huijing Hua Ting**

  Composed of 20 high-rise residential buildings.

Aerial View of Jiading Plot

Aerial View of Jiading Plot

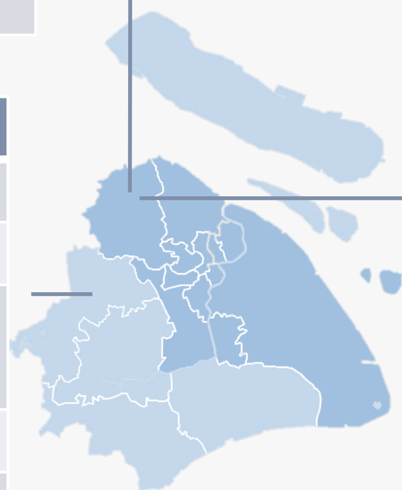
Status of Developing Lease Construction Project

Current developing lease construction projects are located in Shanghai, total area is nearly 60 k ping

Shanghai

Rental Housing (Jiading, Shanghai)
Shanghai Hongxiang
Finish in 2023
Total Construction Area: 8,000 ping Ground Area: 8,000 ping
Ground Land Cost: NTD 48,000 /ping
Neighboring Market Price: NTD 96,000 /ping*

Sun Moon Light Center Phase II, Shanghai
Shanghai Dinglin
Finish in 2024
Total Construction Area: 47,000 ping Ground Area: 25,000 ping Underground Area: 22,000 ping
Ground Land Cost: NTD 405,000 /ping
Neighboring Market Price: NTD 847,000 /ping



AB Office (Jiading, Shanghai)
Shanghai Dingjia
Finish in 2022
Total Construction Area: 30,000 ping Ground Area: 30,000 ping
Ground Land Cost: NTD 31,000 /ping
Neighboring Market Price: NTD 96,000 /ping*

* Neighboring Market Price is referred to the auction information of building area from government official disclosure (Total auction price/buildable area)

Sun Moon Light Development Plan (Dapuqiao)

Effect Figure of Sun Moon Light Center Dapuqiao Phase II

Land to be Developed

Current undeveloped land is located in Shanghai and Chongqing, total construction area up to 168 k ping

	Company	Sector	Intended Purpose	Total Construction Area (ping)	Book Cost/Ping	Neighboring Market Price/Ping
Shanghai	Shanghai Dingtong	Jiading North, Jiading District	Hotel	18,000	NTD 43,000	NTD 96,000*
Shanghai	Shanghai Dingjia	Jiading North, Jiading District	Mall	47,000	NTD 45,000	NTD 96,000*
Chongqing	Chongqing Dinggu	Jiefangbei in Yuzhong District	Mall and Office	103,000	NTD 15,000	NTD 118,000*
Total				168,000		

* Neighboring Market Price is referred to the auction information of building area from government official disclosure

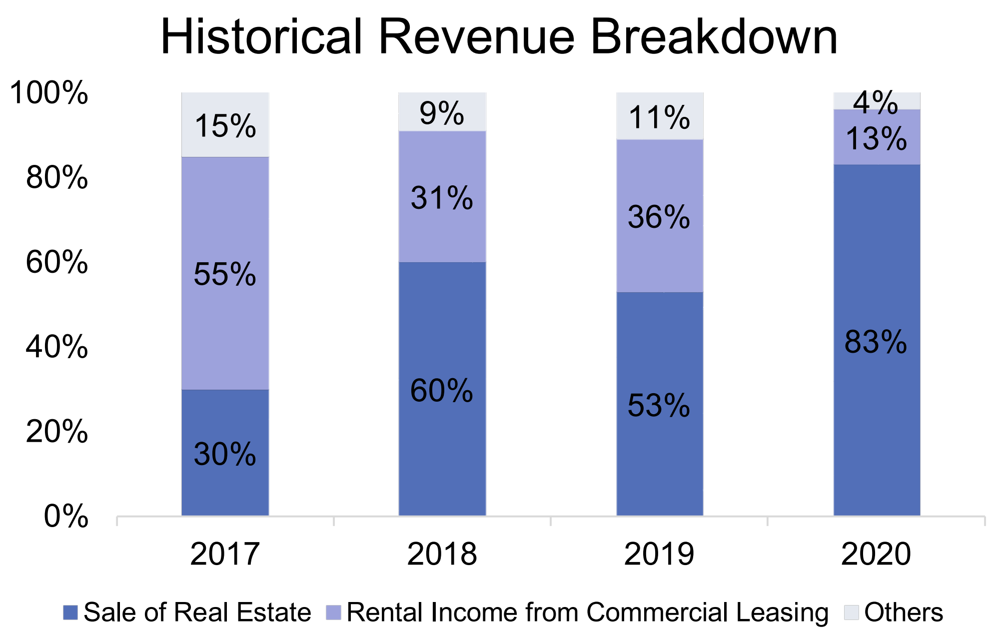
3. Financial Overview

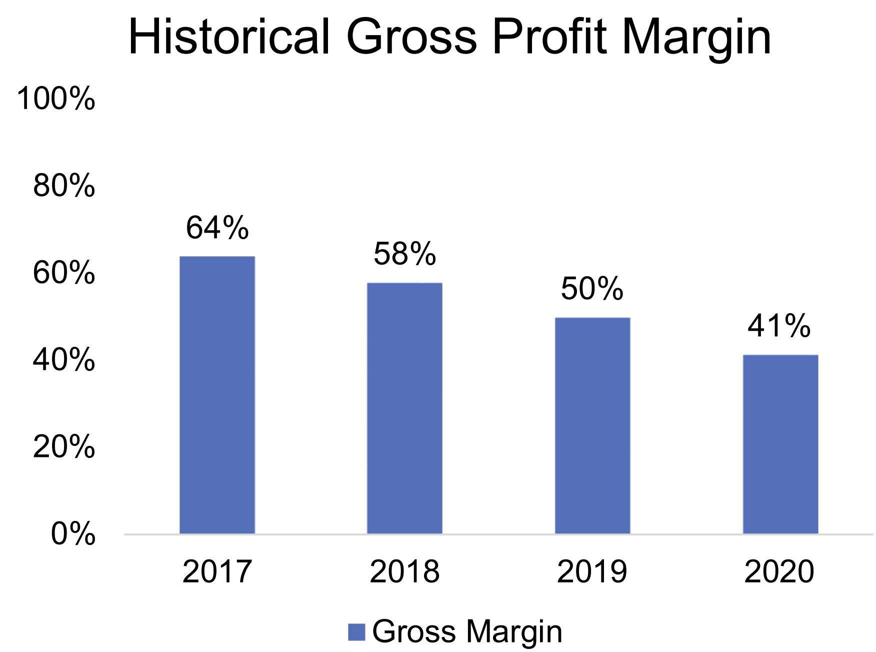
Consolidated Income Statement for the Past 3 Years

Unit: NTD thousand

	2018	2019	2020
Operating Revenue	6,928,722	5,737,206	13,419,916
-Sales Proceeds	4,161,898	3,029,343	11,157,891
-Rental income from commercial leasing	2,150,627	2,073,525	1,711,236
-Others	616,197	634,338	550,789
Operating Costs	(2,930,051)	(2,885,466)	(7,897,413)
Gross profit	**3,998,671**	**2,851,740**	**5,522,503**
Gain (Loss) on change in fair value of investment properties	563,727	(2,728,887)	(1,460,226)
Profit before income tax from continuing operations	3,176,721	(358,089)	2,695,595
Net Profit (Loss) from continuing operations	**1,668,192**	**422,629**	**1,177,355**
Net Profit (Loss) from discontinued operations	(35,033)	7,791,012	-
Net Profit (Loss) attributable to owners of the company	**1,631,299**	**8,209,089**	**1,177,395**
Earnings per share (NTD)	**0.94**	**4.72**	**0.68**

Historical Revenue Breakdown





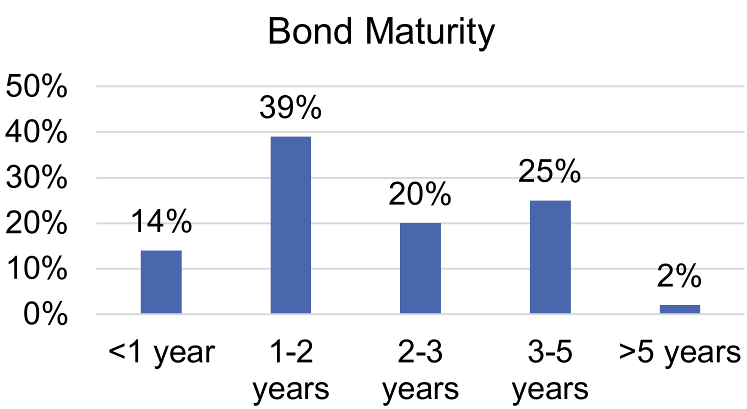
Consolidated Statement of Financial Position

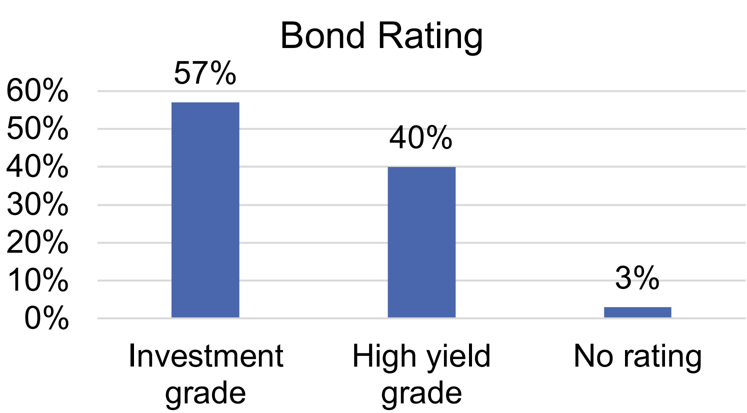
	2020.12.31		2019.12.31	
ASSETS	NTD thousand	%	NTD thousand	%
Cash and cash equivalents	6,776,782	6%	8,174,755	7%
Financial assets at fair value through profit or loss	4,521,266	4%	6,123,353	5%
Financial assets at fair value through other comprehensive income	18,966,974	16%	19,305,547	16%
Other financial assets	808,035	1%	1,903,183	2%
Inventories				
-Properties under development or to be developed	32,874,005	29%	34,280,778	28%
-Merchandise	6,158,237	5%	7,071,144	5%
Property, plant and equipment	580,118	-	635,305	-
Investment properties	43,823,194	38%	43,722,207	35%
Other assets	1,994,811	1%	2,331,128	2%
Total assets	**116,503,422**	**100%**	**123,547,400**	**100%**

	2020.12.31		2019.12.31	
LIABILITIES	NTD thousand	%	NTD thousand	%
Borrowings	48,708,904	43%	47,270,539	38%
Contract liabilities	430,940	-	5,515,758	5%
Trade payables	853,516	1%	497,074	1%
Current tax liabilities	1,679,163	1%	1,356,073	1%
Deferred tax liabilities	8,295,577	7%	8,494,051	7%
Unearned revenue	159,937	-	178,145	-
Other liabilities	2,223,696	2%	5,427,186	4%
Total liabilities	**62,351,733**	**54%**	**68,738,826**	**56%**
EQUITY	NTD thousand	%	NTD thousand	%
Share capital	17,402,970	15%	17,402,970	14%
Unappropriated earnings	21,054,333	18%	19,045,451	16%
Legal reserve and special reserve	17,961,163	15%	22,673,513	18%
Others	(2,344,807)	(2%)	(4,390,147)	(4%)
Non-controlling interests	78,030	-	76,787	-
Total equity	**54,151,689**	**46%**	**54,808,574**	**44%**
Total liabilities and equity	**116,503,422**	**100%**	**123,547,400**	**100%**

Bond Maturity and Rating Analysis

The total market value of bonds is around NTD 20 billion, and the leverage ratio is around 60%





Moody's rating	S&P rating	%	Issuer Example
Aa3	AA-	0.1%	FAB SUKUK
A1	A+	1.6%	CHIBA BANK LTD
A2	A	2.0%	CDBL FUND ING
A3	A-	5.0%	MIZUHO FINANCIAL
Baa1	BBB+	11.0%	CHINA CONSTRUCTION BANK
Baa2	BBB	15.9%	BAYER US FINANCE
Baa3	BBB-	21.0%	STANDARD CHARTERED
Ba1	BB+	5.7%	COUNTRY GARDEN
Ba2	BB	6.1%	FORTUNE STAR
Ba3	BB-	12.1%	AGILE GROUP
B1	B+	7.6%	YANLORD LAND
B2	B	6.5%	CHINA EVERGRANDE
B3	B-	0.8%	MONGOLIA GOVERNMENT
Caa1	CCC+	1.2%	VEDANTA RESOURCES PLC
Caa2	CCC	0.5%	REPUBLIC OF MALDIVES
No rating	No rating	3.1%	GARUDA INDONESIA
	Total	**100.0%**	

Profit (Loss) on Bond Portfolio Investment

Unit: NTD thousand

Item	2019	2020
Other gains and losses	(402,054)	(1,018,226)
Includes:		
Expected credit loss on bonds	(74,936)	(721,102)
Gain on bond disposal	9,345	7,878
Management fees	(6,170)	(47,518)
Subtotal	**(71,761)**	**(760,742)**
Bond interests income	492,533	948,542
Bond interests expense	(115,798)	(163,704)
Total Gains (losses) on bond investment	**304,974**	**24,096**

Dividend Policy

- **The board of directors approved the resolution of NTD 1.2 cash dividend per share and 176% payout ratio.**

	2013	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**
EPS (NTD)	1.8	1.67	2	1.38	0.08	0.94	4.72	0.68
Dividend (NTD)	0.2	0.22	0.36	0.36	0.36	0.72	2.23	1.2
Payout ratio (%)	11.2	13.2	18	26.1	450	76.6	47.2	176

鼎固控股有限公司
SINO HORIZON HOLDINGS LIMITED

http://www.sinohorizon.cn

ir@sinohorizon.cn