

Engineering with passion  
用心創造



# ANALOGUE HOLDINGS LIMITED

FY2021 Annual Results

Investor Presentation

6 April 2022



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The Information was prepared as at 6 April 2022.

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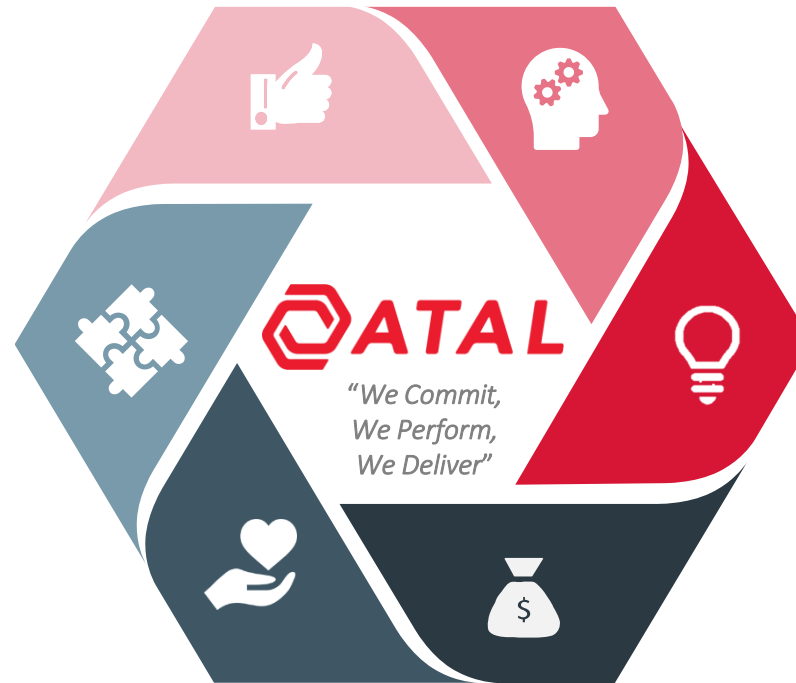
05 Q&A

Leading E&M engineering service provider in Hong Kong

45 years of operating history with an extensive client portfolio

Provide comprehensive E&M engineering and technology services to private and public sectors

- Building Services
- Environmental Engineering
- ICBT
- Lifts & Escalators



Pioneer technical excellence and R&D; garnered 55 patents and designs internationally

Commit to create value for the community

Maintain sustainable growth with high value contracts-in-hand

## Application of Advanced Technologies



- Modular Integrated Construction (MiC)
- MultiTrade Integrated Mechanical, Electrical and Plumbing (MiMEP)
- Internet of Things (IoT), Long Range (LoRa)
- Digital Twin, Artificial Intelligence (AI)
- Building Information Modelling (BIM)
- ATAL Building Services Prefabrication and Modularisation Construction Technology (ABS PM)
- Predictive Maintenance and Remote Monitoring System (PMRMS)



## Expansion to Overseas Markets



- Strategic alliance with TEI in US
- First foothold in UK for Lifts and Escalators business
- Actively explore business opportunities in US, Europe, Oceania, Greater Bay Area

## ESG Initiatives



### First E&M engineering group in Hong Kong to obtain:

- **CIC** Sustainable Finance Certification Scheme
- Green Loan Pre-Issuance Stage Certificate under the Green and Sustainable Finance Certification Scheme by HKQAA



### Issued the first green loan instrument of HKD300M

- Enhance water and wastewater management

## New Facilities



### ATAL Training Centre (ATC)

- Innovative technologies applied in training programmes improving learning efficiency
- Nurture outstanding talent for the Group and the industry

### Acquisition and Revitalisation of Topy Tower

- A consolidated operational base to bring our people together
- Improve organisational efficiency through sustainable work environment

## 3 Awards CORPORATE

### CIC Outstanding Contractor Awards 2021

- Grand Award – Specialist Contractor
- Professionalisation Award – Specialist Contractor

### CIC Construction Digitalisation Award 2021

- Contractor Category B - Gold Award



## 6 Awards INVESTOR RELATIONS

### Bloomberg Businessweek/Chinese Edition - Listed Enterprises of the Year

- Listed Enterprises of the Year
- Outstanding Performance – Best Corporate Governance

### IFAPC Outstanding Listed Companies Award 2021

### HKEJ Listed Company Awards of Excellence 2021 (Main Board)

### ListCo Excellence Awards 2021 (am730 & Phoenix New Media & PR ASIA)

### HKIRA 7th Investor Relations Awards

- Certificate of Excellence





## ENVIRONMENTAL, SOCIAL AND GOVERNANCE



### Hong Kong Green and Sustainable Finance Awards 2021 (HKQAA)

- Outstanding Award for Green and Sustainable Loan Issuer (Construction Industry) - Visionary Green Loan Framework
- Leadership Award for Green and Sustainable Finance Development
- Strategist Award for Green and Sustainable Finance Development
- Strategist Award for Green and Sustainable Finance Development

### ESG Achievement Awards 2020

- The Outstanding ESG Performer of the Year - Gold Award
- Outstanding ESG Company - Diamond Award

### Energy Saving Charter (Environment Bureau)

### Social Capital Builder Awards (Labour & Welfare Bureau)

### 27th Considerate Contractors Site Award Scheme

- Considerate Contractors Site Awards for Public Works – RMAA Works - Merit Award

### Occupational Safety Incentives (2021) - Contractor with Initiatives/Innovative Solutions

- Outstanding Contractor with initiatives / innovation solutions

### Alcumus Safe Contractor

- Safe Contractor Accreditation

### Life First Safety Promotion Campaign

- Most Engaging Contractor

### 20th Hong Kong Occupational Safety & Health Award

- Safety Performance Award – Excellence
- OSH Annual Report Award – Bronze
- OSH MVP Award – 10 Years Plus

### Safety Video Competition in Lift and Escalator Works 2020/21

- Second runner-up

### Best Programme for Work Safety in Hot Weather and Employees' Health Protection

- Merit

### Best Safety Enhancement Program for Lifting Operation

- Bronze Award

### 「建造業安全提升運動2020/2021」 - 建造業安全短片比賽

- 「建造地盤組」優異獎



## 9 Awards PROJECTS

### Elevator World's 2021 Project of the Year

- Escalators, Modernisation – Champion  
*Central-Mid-Levels Escalator and Walkway System Modernisation project*

### The International Exhibition of Inventions of Geneva 2021

- Gold Medal  
*Artificial Intelligent Nylon Optical Fibre Sensing Escalator Combs - Anlev Elex Elevator Limited, Electrical and Mechanical Services Department and The Hong Kong Polytechnic University*

### 2021-22 Hong Kong Awards for Industries: Innovation and Creativity (HKGCC)

- Hong Kong Awards for Industries: Innovation and Creativity Award - *AMSFS III*
- Hong Kong Awards for Industries: Innovation and Creativity Certificate of Merit - *Negative Pressure Isolation Room*

### BEAM Plus Certification 2021 (HKGBC & BEAM Society Limited)

- Final Platinum Rating under BEAM Plus for New Buildings V1.2

### NEC Awards 2021

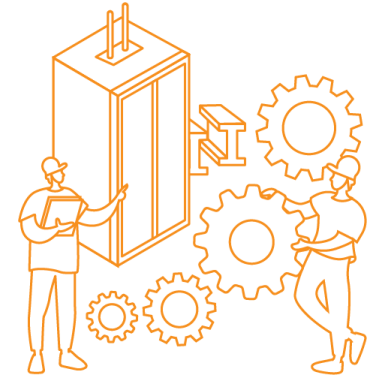
- NEC Contractor of the Year - Highly Commended

### Autodesk Hong Kong BIM Awards 2021

### The Outstanding Construction and Renovation Award Ceremony 2020

- Quality Sub-Contractor (Bathroom Fittings, Plumbing and Drainage)

### ACEHK Annual Award 2021 (The Association of Consulting Engineers of Hong Kong)





## 8 Awards HR

### Young Engineers Awards 2021 (CIBSE)

- Employer of the Year (Large category)

### Good MPF Employer Award (MPFA)

- The Good MPF Employer 5 Years+ 2021

### CTgoodjobs Best HR Awards 2021

- Best Family-friendly Employment Policy Award – Grand
- Top Workplace Companies Award – Gold

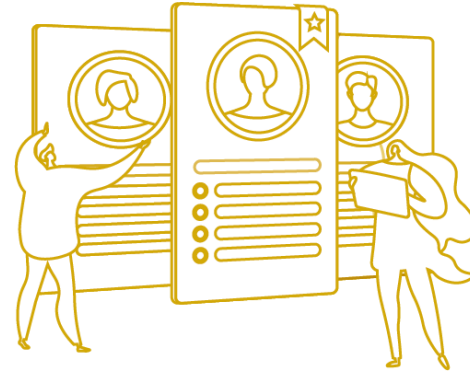
### SCMP Classified Post - HR Appreciation Awards

- HR Best Practice – Training & Development
- COVID-19 Special Award – Corporate

### The Outstanding Apprentice Award Scheme 2020 (Labour Department)

### Youth Employment and Training Programme (YETP) Most Improved Trainees 2020 (VTC)

Certificate of Merit



# FINANCIAL REVIEW



Sustained Market Leading Position

Revenue

**HK\$5,350.7 million**

**+ 10.8%\***



Net profit

**HK\$314.3 million**

**+ 4.3%**

High dividend payout ratio **50.2%**

Bank Balances and Cash

**HK\$801.7 million**

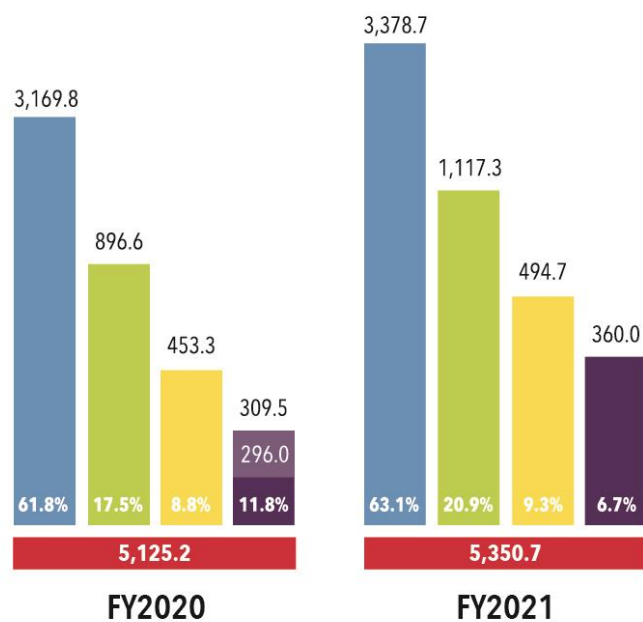
**Low** Gearing Ratio **13.7%**

\* After adjusting TEI's contribution in FY2020

			After adjusted TEI's and ESS contribution in FY2020	
	FY2020 (HK\$'M)	FY2021 (HK\$'M)	Growth	Growth after adjustment
Revenue	5,125.2	<b>5,350.7</b>	4.4%	<b>10.8%</b>
Gross Profit	909.1	<b>878.4</b>	(3.4%)	<b>4.2%</b>
Gross Profit Margin	17.7% 16.1%	<b>16.4%</b>	(1.3%)	<b>0.3%</b>
Profit attributable to owners of the Company	301.4	<b>314.3</b>	4.3%	
Basic Earnings per Share (cents)	22	<b>22</b>	-	
Dividend per Share (cents)	10.82	<b>11.27</b>	4.2%	

## Revenue by Segment

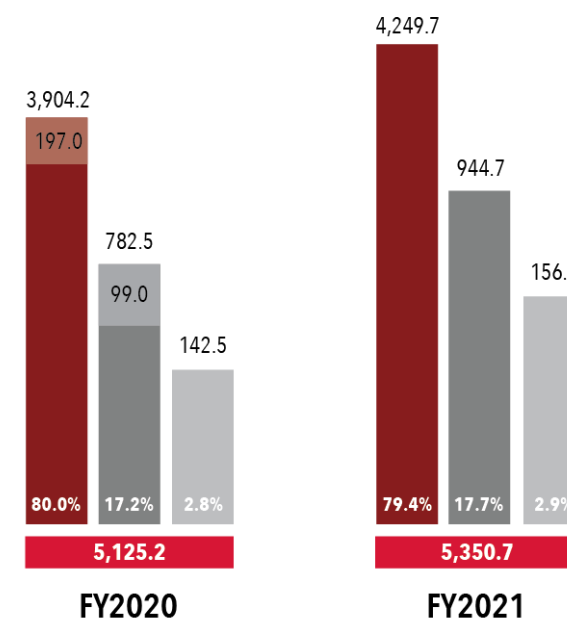
(HK\$'M)



- Building services
- Environmental engineering
- ICBT
- Lifts and escalators
- TEI's contribution

## Revenue by Nature

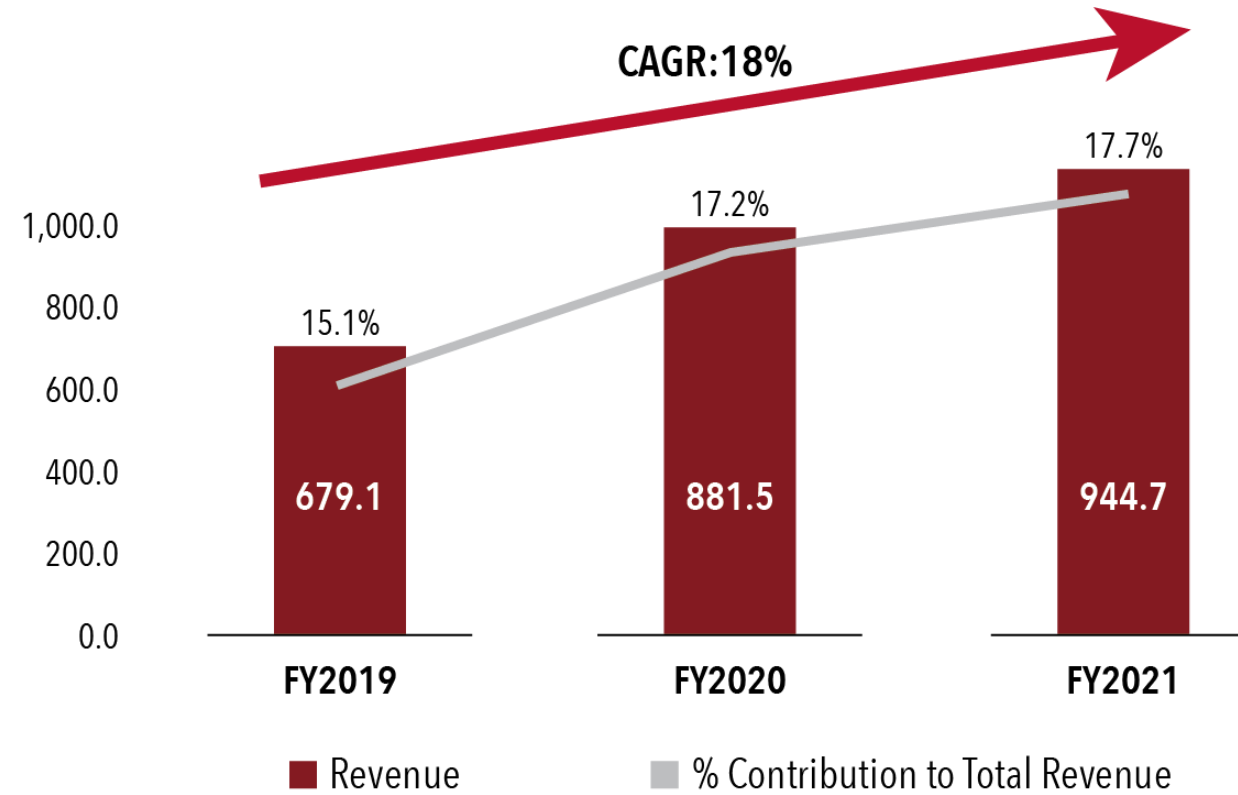
(HK\$'M)



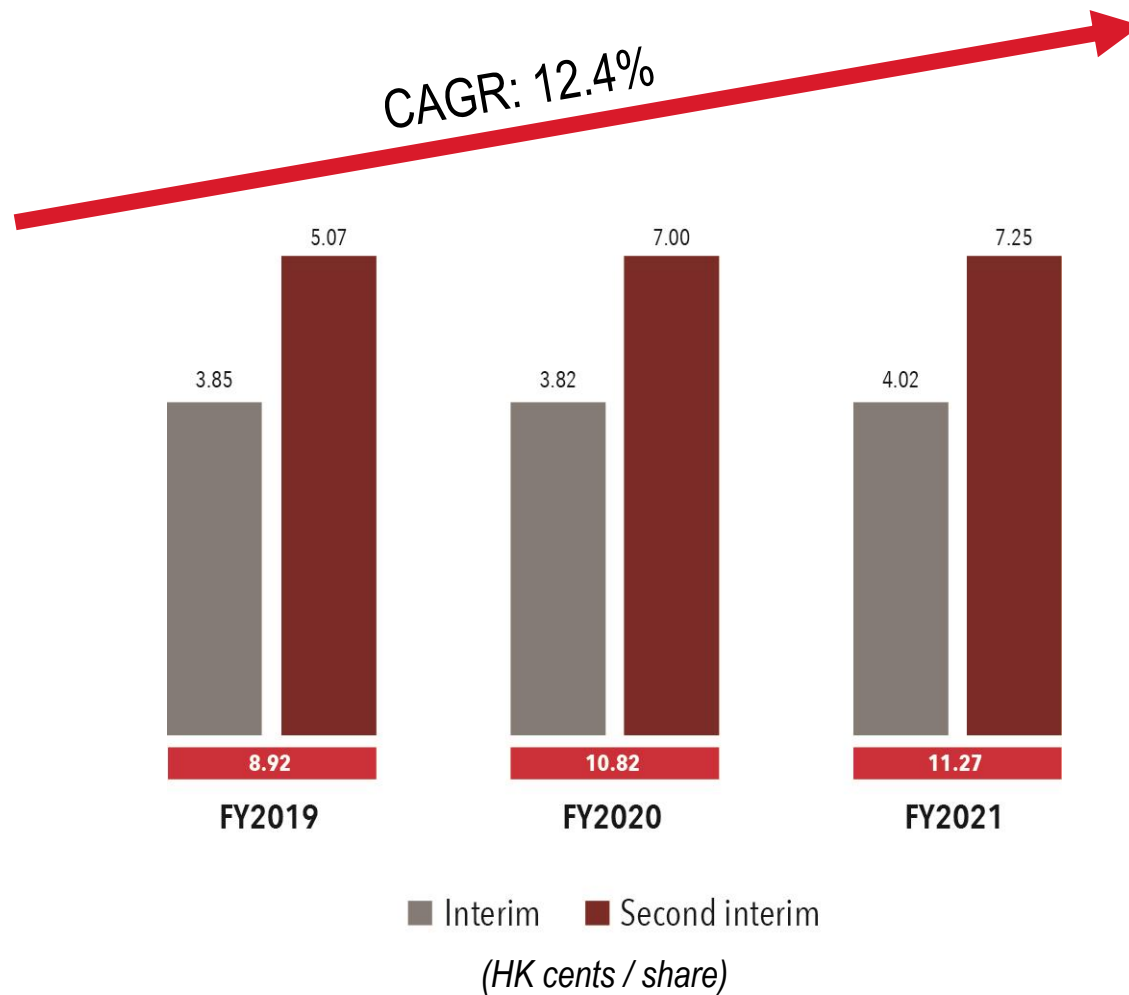
- Contracting work
- Maintenance work
- Sales of goods
- TEI's contribution

▲  
**Revenue:**  
**+10.8%\***

\* After adjusting TEI's contribution in FY2020



	31 Dec 2020 (HK\$'M)	31 Dec 2021 (HK\$'M)
Current assets	3,148.0	<b>3,068.4</b>
Current liabilities	1,791.8	<b>1,972.1</b>
Bank balances and cash	1,116.1	<b>801.7</b>
Net current assets	1,356.2	<b>1,096.3</b>
Total assets less current liabilities	2,077.9	<b>2,477.1</b>
Current ratio	1.8x	<b>1.6x</b>
Gearing ratio	N/A	<b>13.7%</b>
Return on equity	16.1%	<b>15.3%</b>



Payout ratio  
**50.2%**

Dividend yield<sup>1</sup>  
**6.6%**

<sup>1</sup>Dividend yield as of 4 April 2022



*First Qualified E&M Engineering Group in Hong Kong*

1

**CIC**

**Sustainable Finance Certification Scheme**

- Launched **first Green Finance Framework** in line with the Group’s commitment on sustainability
- Facilitate Green Financing Transactions (“GFT”) to fund the Group’s projects for delivering environmental and sustainable benefits while supporting business strategies and vision



CIC Sustainable Finance Certification Scheme  
建造業議會可持續金融認證計劃



2

**HKQAA**

**Green and Sustainable Finance Certification Scheme**

- Obtained the Green Loan Pre-Issuance Stage Certificate
- Issued its **first green loan instrument amounting to HK\$300 million** for enhancing water and wastewater management
- Achieved four awards under “Hong Kong Green and Sustainable Finance Awards 2021”



Green Loan  
Pre-issuance Stage  
Certificate No.: CC 7718

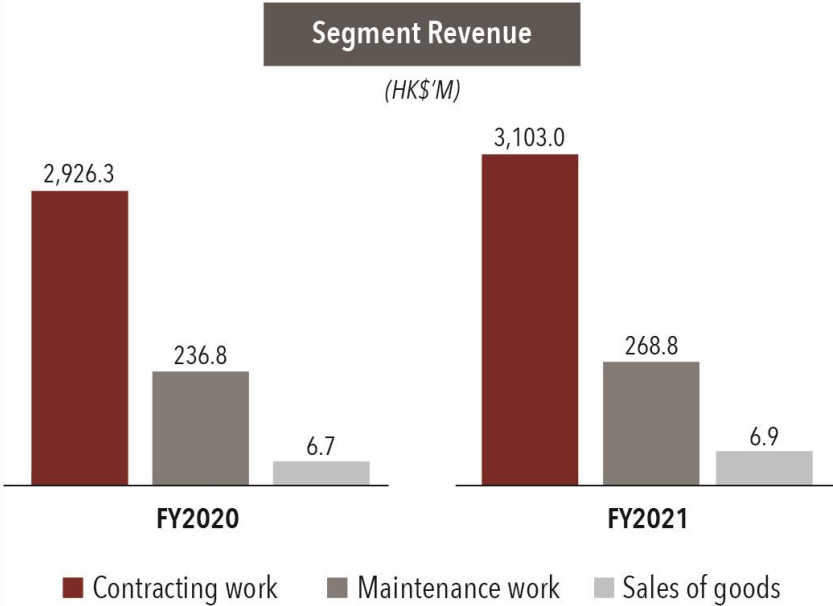


# BUSINESS REVIEW





Contracts-in-hand:  
**HK\$ 4,892 million**





Largest Business Segment\* providing one-stop E&M services (HVAC, FS, P&D, EL and ELV)

Institutional

Industrial

Healthcare

Infrastructure

Data Centre

Residential

Commercial

## New Technology

Secured MiC projects worth **HK\$150M**

Expanding **MiMEP** facilities

Developing proprietary **ABSPM** with digitalisation technologies

- Significantly improve quality and enhance construction work efficiency

## New Market

Actively exploring opportunities in **Mainland China and Macau**

- A major project from a Hong Kong horse racing club in Guangzhou
- China's blueprint for GBA is transforming Macau to a global leisure and tourism hub

## New Business Model

Secured **major hospital** term contract and seven residential projects worth over **HK\$800M**

- Significantly from **private sectors** and **HKSAR Government**



## Reprovisioning of Fu Shan Public Mortuary



Contract sum: HK\$ 237M



## Proposed Commercial Development at NKIL 6557



Contract sum: HK\$ 865M



## AIRSIDE



Contract sum: HK\$ 699M





## Great Opportunities in Healthcare Sector

### Hong Kong West Hospital Clusters

Contract sum: HK\$ 369M



**E&M** works in 7 public hospitals and 13 clinics



Security and ELV systems for **Queen Mary Hospital (Phase 1)**



Design, Supply and Installation of Lifts and Escalators for **Queen Mary Hospital**



### Memorandum of Understanding with Chinachem Group

- Gain larger foothold in healthcare sector
- Open up new technologies and business models



IoT solutions for healthcare industry



Tele-medicine





## Leading Data Centre Infrastructure Service Provider



**Government Data Centre Complex,  
Cheung Sha Wan**  
Contract sum: HK\$ 900M



**A number of installation and maintenance projects from  
major data centre operators in HK**





## Involvement in Greater Bay Area



**Hong Kong Jockey Club Conghua Racecourse, China**

Contract sum: RMB170M



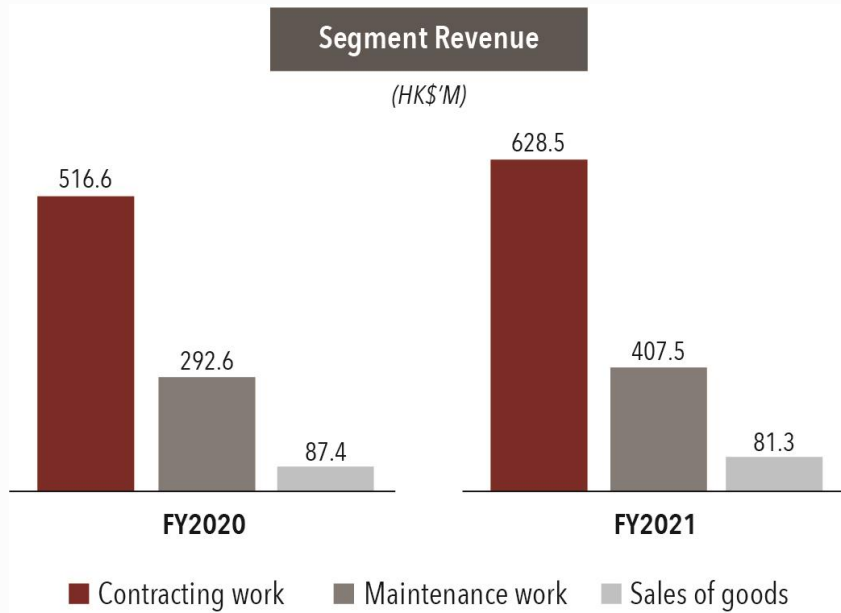
**Galaxy Hotel Phase 3, Macau**

Contract sum: HK\$ 300M





Contracts-in-hand:  
**HK\$ 4,977 million**





Delivering total solutions covering **design, build, operation and maintenance (DBO)** of environmental engineering facilities

Water

Sewage

Sludge

Solid Wastes

Gas Treatment

## New Technology

**Advance** technologies and **innovative** environmental solutions

- Digital Twin technology
- Aerobic Granular Sludge
- Containerised Sewage Treatment Process
- state-of-the-art water and wastewater treatment technology

## New Market

Explore **overseas opportunities** actively, e.g. Philippines, Vietnam etc.

## New Business Model

**Public Private Partnership (PPP)** for “**One Belt One Road**” projects in Mainland China and South East Asia

Adopt **Green Funding**

Manufacturing of **self-developed environmental products**



**Yuen Long Sewage Treatment Works  
and Yuen Long Effluent Polishing Plant**  
Contract sum: HK\$ 1,228M



**O&M works in Castle Peak Power Station  
and Black Point Power Station**  
Contract sum: HK\$ 107M





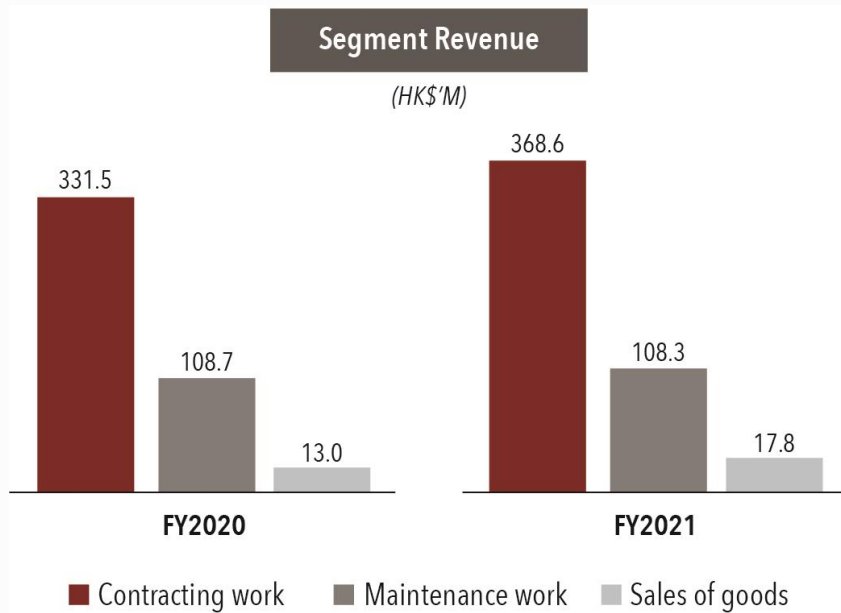
**Cheung Chau Sewage Treatment and Disposal Facilities**  
Contract sum: HK\$ 306M



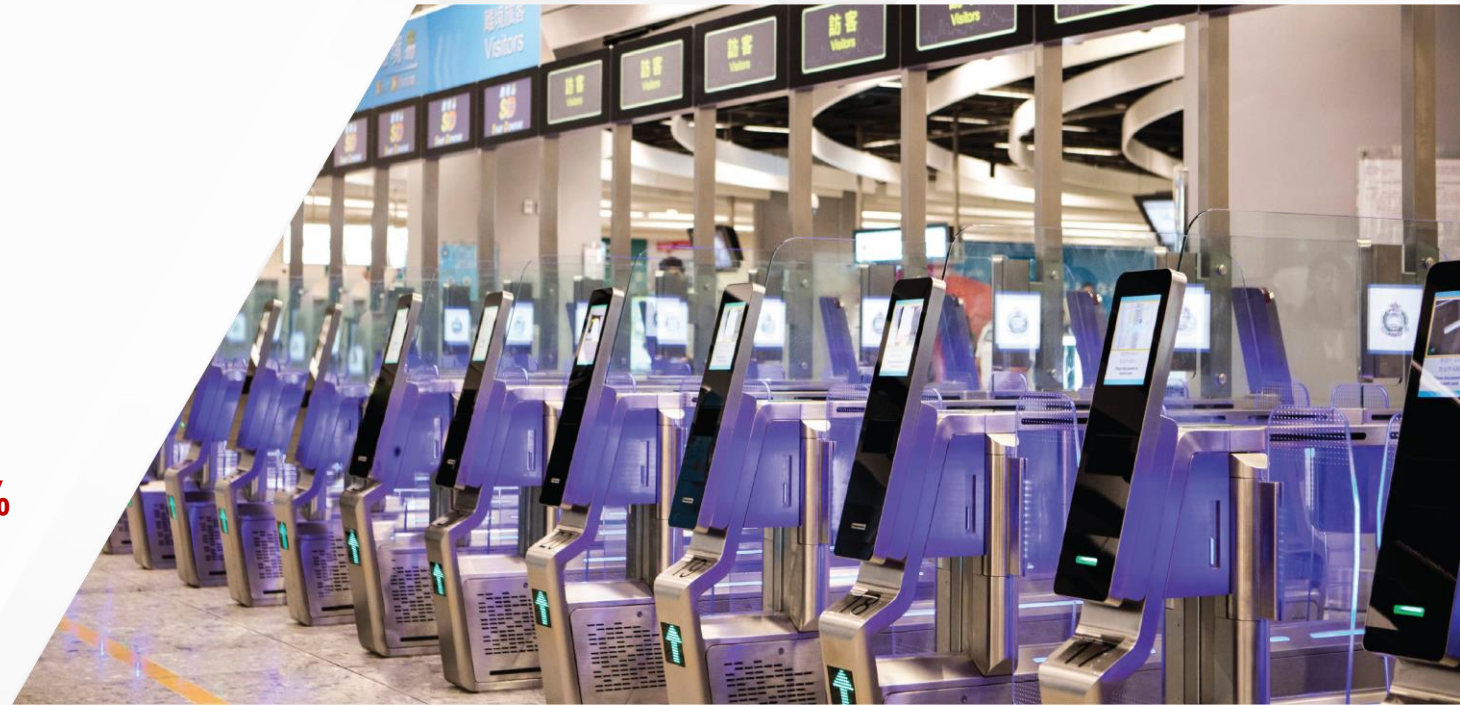
**San Shek Wan Sewage Treatment Works Associated  
Submarine Outfall and Pui O Sewerage Works**  
Contract sum: HK\$ 156M



Contracts-in-and:  
**HK\$ 877 million**



  
**+9.1%**





Offering **green and intelligent building solutions**, integrate ICT technologies with building energy and management technologies to facilitate Hong Kong's evolution to a **Smart City**

Smart  
Mobility

Smart  
Living

Smart  
Environment

Smart  
People

Smart  
Economy

## New Technology



- AI Energy Management Platform
- Proprietary IoT applications for Smart Washrooms, Indoor Positioning & Video Analytics

## New Market

Seize opportunities in different areas to contribute to the development of **Smart City**

## New Business Model

**Subscription Basis (SaaS)**  
for energy and technology businesses

**Streamlining** digital processes and applications to benefit society and advance the **Smart City** development



**Photovoltaic systems in more than 100 schools and NGOs**  
Contract sum: HK\$ 19M

**IFMA Asia Pacific Awards of Excellence 2021 –  
Winner of Asia Pacific Innovation Award**



**Hong Kong's First Automated Robotic Parking System**  
Contract sum: HK\$ 12M



**IEQ monitoring for Swire's shopping malls**  
Contract sum: HK\$ 3M



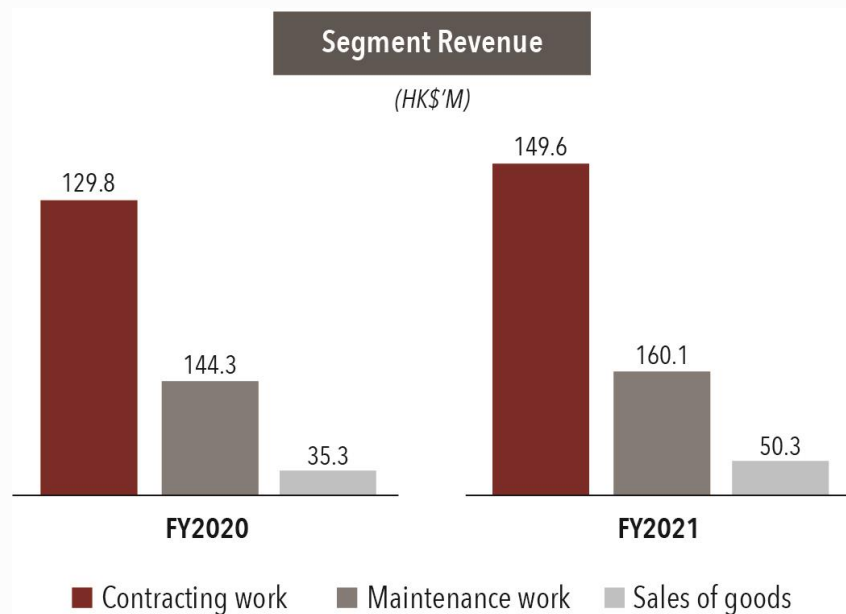
**Retro-commissioning and Energy Audit Service**  
Contract sum: HK\$ 1M



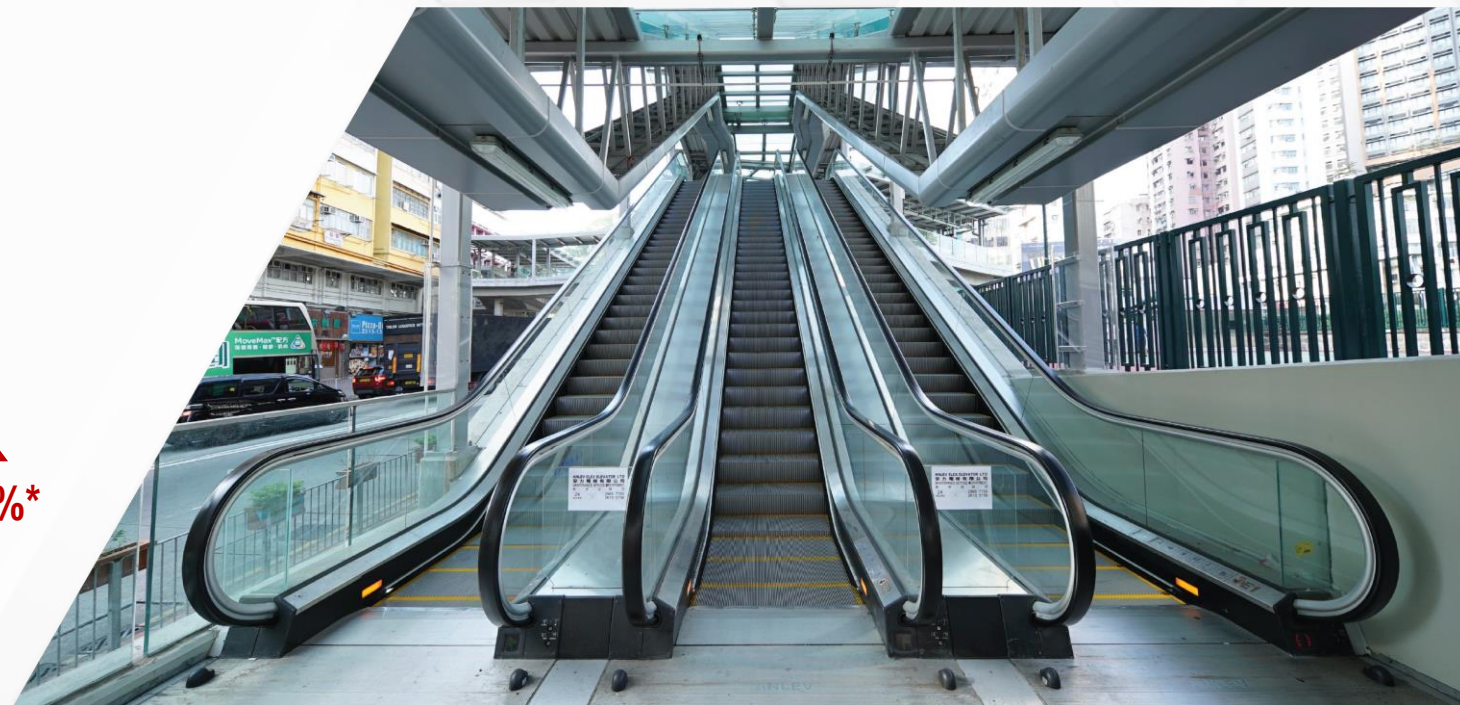
# LIFTS & ESCALATORS



Contracts-in-hand:  
**HK\$ 563 million**



+16.4%\*



\*Excluding TEI's contribution



Providing **one-stop solutions** from design, manufacturing, sales, installation, maintenance and modernization of lifts & escalators



Acclaimed Lifts and Escalators Brand

<b>ANLEV</b> Anley Elevator Ltd 安力電梯有限公司 ELEVATOR and Escalator Contractors' Performance Rating (CPR) 升降上落車及樓梯及自動梯承辦商表現評級	
Assessment period : from January 2019 to December 2020 評核期 : 2019年1月至2020年12月	
Safety Performance Rating 安全表現評級 	Services Quality Performance Rating 服務質量表現評級 
Full Mark (滿分)	Full Mark (滿分)

Lifts

Escalators

Moving Walkways

### New Technology

- Predictive Maintenance and Remote Monitoring System (APMRMS) for lifts and escalators
- Puzzle Stacking System carpark with flexible APS
- Award-winning AI Nylon Optical Fibre Sensing Escalator Combs

### New Market

**United Kingdom**

- Well-positioned to capture market opportunities both **locally and globally**

### New Business Model

Increase resources to strengthen **maintenance** service capabilities



## Central-Mid-Levels Escalator and Walkway System

Contract sum: HK\$ 128M



**Series projects of Puzzle Stacking Automated Parking System**  
Contract sum: HK\$ 7M



**Design, supply and installation of heavy-duty freight lift,  
Hong Kong Palace Museum**  
Contract sum: HK\$ 3.6M



## New Market: Global Expansion

- Serving millions of users in **Asia, the Americas, and Europe**

# ANLEV

United Kingdom

- Set up new company in the UK, our first foothold in Europe
- Further expansion of global business



Melbourne Airport,  
Australia

Dongtan Station, South Korea



# TEI

DEDICATED  
ELEVATOR  
SOLUTIONS

## Tap into the US Market with Transel Elevator & Electric (“TEI”)

- One of the largest independent lifts and escalators companies in **New York**
- Capture business opportunities in US



## Capacity Expansion

- **Expansion** of Anlev’s manufacturing plant in Nanjing, expected to be completed by 2022
- **Invest RMB60 million** in enhancing the production capacity

## Generate Recurring Revenue for the Group

Contribution to the Group's revenue

FY2019  
15.1%

FY2020  
17.2%

FY2021  
17.7%

**+18%**  
CAGR



### Term contract of MTR Shatin Central Link Tuen Ma Line



Contract sum: HK\$ 108M

- Mechanical and Electrical Maintenance Services



### Water Supplies Department



Contract sum: HK\$ 309M

- **4-year term contract** for E&M maintenance covering all waterwork installations in Hong Kong
- **Fourth consecutive term contract** awarded



### AI Energy Management Platform, IoT applications, and Video Analytics technology

- Serving **more than 20 shopping malls**

PACIFIC PLACE

TAIKOO PLACE



### Electrical and Mechanical Services Department

Contract sum: HK\$ 51M

- **3-year term contract** for comprehensive repair and maintenance of lifts at various government premises





## OUTLOOK & GROWTH STRATEGIES



## Infrastructure:

Forecast the annual construction output in Hong Kong will total around **\$300 billion** across public, private housing, and commercial development with **strong pipeline of infrastructure projects** and **critical land development along new railway lines**

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## Smart and Sustainable city:

**New generation connectivity** across territory combined with strengthened capabilities in **big data analytics, artificial intelligence, and IoT**

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## Data Centre:

Hong Kong **becomes the 2<sup>nd</sup> in Asia Pacific and top 6 data centre market in the world\***, offering a robust development pipeline, excellent networks and all major cloud services are available

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## Macau:

China's blueprint for the Greater Bay Area is transforming Macau to become a global leisure and tourism hub, **reduction in regulations** in gaming laws will be supported by the gaming industry and **expected to materially increase investment in infrastructure**





## New Technology

- ✓ Drive continuous improvement and develop new technologies in **hospital facilities, lifts and escalators, automatic smart car park systems; and Digital twin technologies in water and wastewater plants**
  - ✓ Further invest in **R&D of IoT, AI, Big Data Analytics, MiC, MiMEP, ABSPM, BIM, Digital Twin, and Robotic solutions**
- 

## New Market

- ✓ Continue efforts in exploring **M&A opportunities** in different parts of the world to support our **expansion** plans, with priorities placed on companies that have **synergistic effects**
  - ✓ Explore further business opportunities **across the globe**, particularly in **Greater Bay Area, Europe and Oceania**
- 

## New Business Model

- ✓ **Strengthen Operations and Maintenance (O&M) service capabilities** to meet increasing demand for specialised solutions
- ✓ Deploy intelligent automation with our **state-of-the-art “Predictive Maintenance and Remote Monitoring System”** to position us favourably in being the O&M services provider of choice
- ✓ Constantly review and innovate business models (**PPP, Subscription Basis**)



## Q & A



**THANK YOU**