



ANALOGUE HOLDINGS LIMITED

FY2022 Interim Results

Investor Presentation

1 September 2022

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**COMPANY
OVERVIEW**



**FINANCIAL
OVERVIEW**



**BUSINESS
REVIEW**



**OUTLOOK &
GROWTH
STRATEGIES**



Q&A



Leading E&M engineering service provider in Hong Kong

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

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

Commit to **create value for the community**; obtained the **first green loan of HK\$300M**



45 years of operating history with an **extensive client portfolio**

Pioneer technical excellence and R&D; garnered **60 patents and designs** internationally

Maintain sustainable growth with **high value contracts-in-hand**

Application of Advanced Technologies

- Building Information Modelling (BIM)
 - Established **Greater Bay Area (GBA) BIM team**
 - **1,000+** internal training hours
- Modular Integrated Construction (MiC)
- MultiTrade Integrated Mechanical, Electrical and Plumbing (MiMEP)
- Internet of Things (IoT), Long Range (LoRa)
- Digital Twin, Artificial Intelligence (AI)
- ATAL Building Services Prefabrication and Modularisation Construction Technology (ABSMP)
- Predictive Maintenance and Remote Monitoring System (PMRMS)

Market Recognition

- “Silver Award” in the Open Group category of the Global AI Challenge for Building E&M Facilities - AI Competition
- Best ESG Enterprise Award in the Sing Tao Service Awards 2021
- 2021-22 Hong Kong Awards for Industries: Innovation and Creativity Award

Expansion to Overseas Markets

- **Strategic alliance** with TEI in US
- **First foothold** in UK for Lifts and Escalators business
- Actively exploring business opportunities in **GBA, One Belt One Road, Oceania, US and European markets**

New Facilities

Acquisition and Revitalisation of Topyy Tower

- A consolidated operational base to boost productivity and promote synergy among business units
- Improve organisational efficiency through sustainable work environment
- The integrated headquarters are targeted to become operational in the **first quarter of 2024**



FINANCIAL REVIEW



Sustained Market Leading Position

Revenue (HK\$'M)

3,021.7

 **+ 29.5%**

High Dividend Payout Ratio*

50%*

Order Intake (HK\$'M)

4,631

 **+ 96.6%**

Low Gearing Ratio

13.6%



Contracts-in-hand (HK\$'M)

12,918.5

 **+ 8.8%**

Bank Balances and Cash (HK\$'M)

1,073.7

Net Profit (HK\$'M)

119.2*

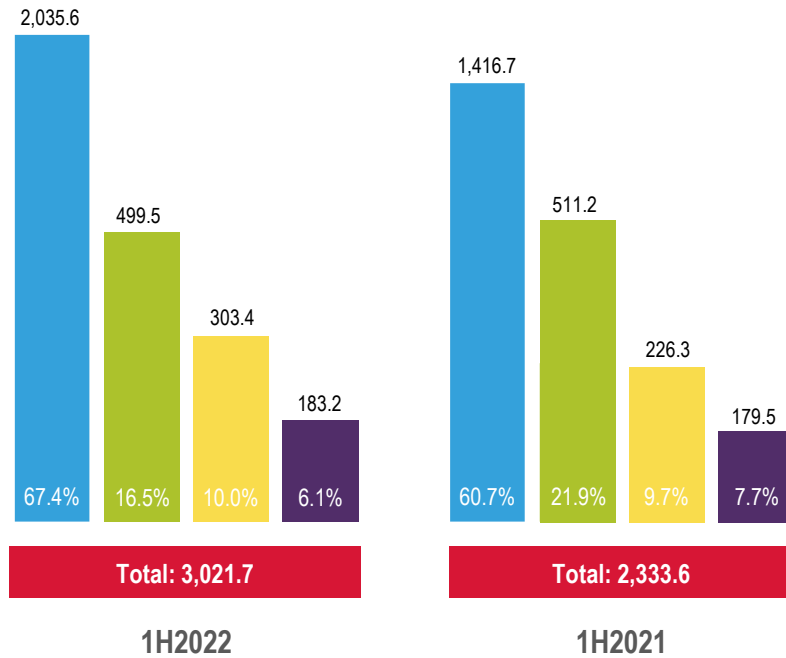
 **+ 5.9%***

	1H2022 (HK\$'M)	1H2021 (HK\$'M)	Growth
Revenue	3,021.7	2,333.6	29.5%
Gross profit	457.6	323.0	41.6%
Gross profit margin	15.1%	13.8%	1.3% point
Profit attributable to owners of the company	59.2*	112.5	(47.4%)
Basic earnings per share (cents)	4	8	(50%)
Dividend per share (cents)	4.27	4.02	6.2%

* After a special provision for the legal proceeding as described in the Company's announcement dated 16 June 2022

Revenue by Segment

(HK\$'M)

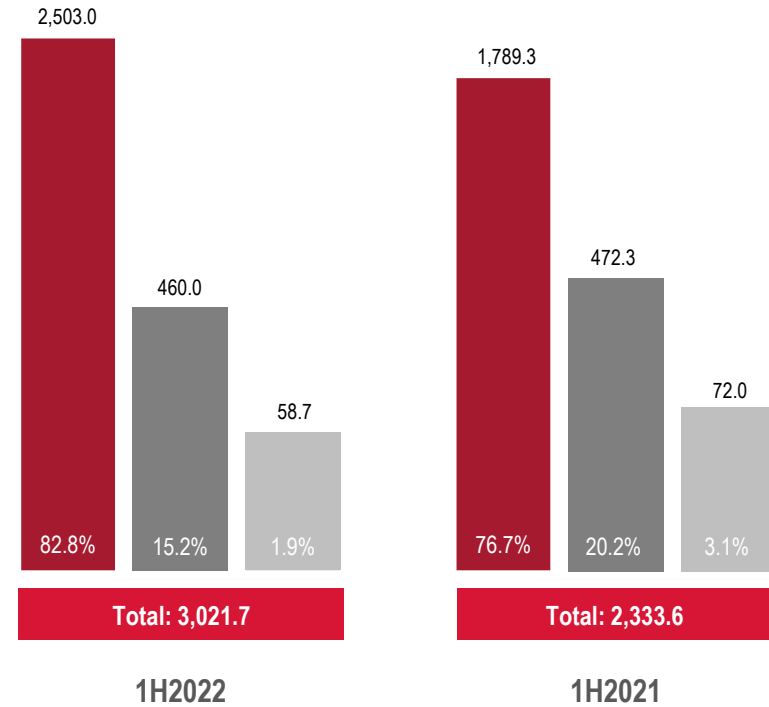


- Building Services
- Environmental Engineering
- ICBT
- Lifts and Escalators

**Revenue:
+29.5%**

Revenue by Nature

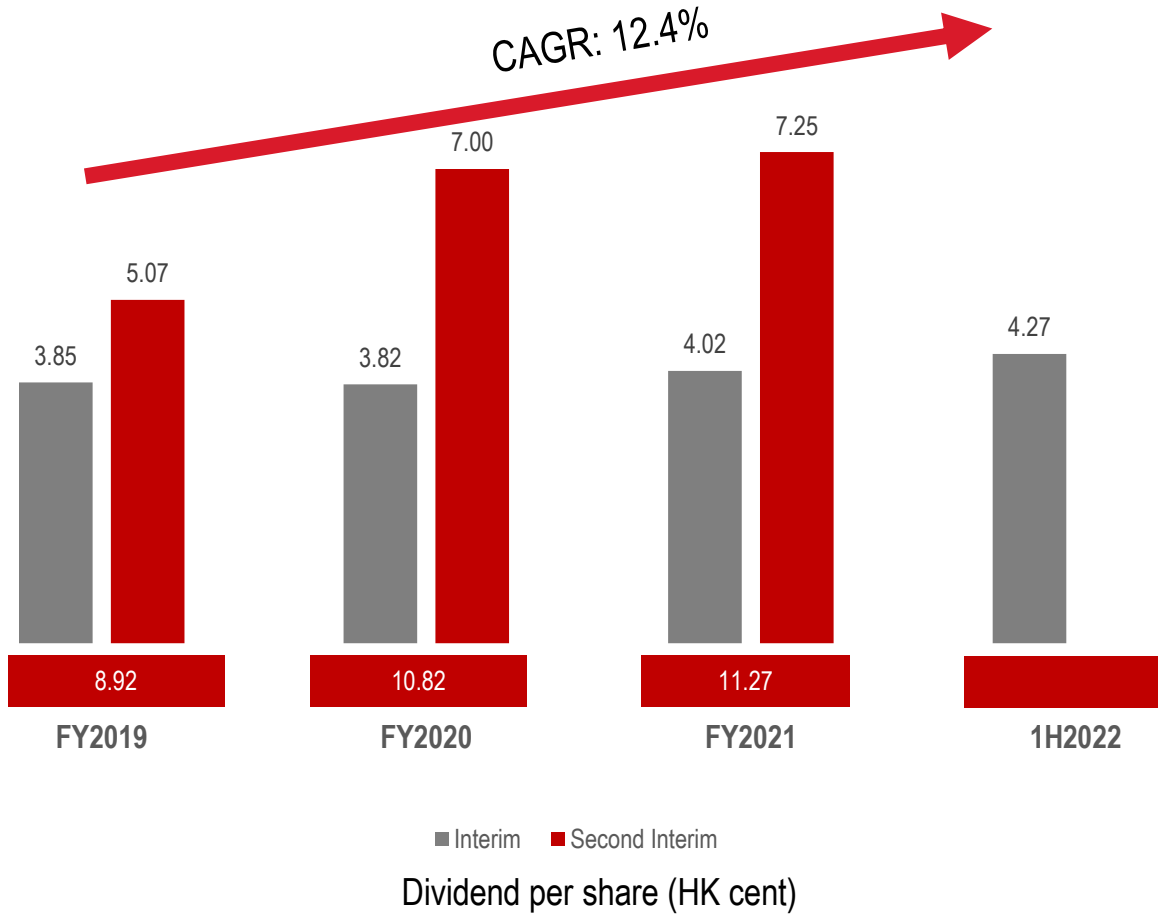
(HK\$'M)



- Contracting work
- Maintenance work
- Sales of goods

	30 June 2022 (HK\$'M)	31 Dec 2021 (HK\$'M)
Current assets	3,284.2	3,068.4
Current liabilities	2,191.1	1,972.1
Bank balances and cash	1,073.7	801.7
Net current assets	1,093.2	1,096.4
Total assets less current liabilities	2,424.7	2,477.1
Current ratio	1.5x	1.6x
Gearing ratio	13.6%	13.7%
Return on equity	5.6%*	15.3%

* For the six months period ended 30 Jun 2022, before a special provision of HK\$60 million for the legal proceeding as described in the Company's announcement dated 16 June 2022.



**2022 Interim
Payout Ratio¹**

50%

¹ Before a special provision of HK\$60 million for the legal proceeding as described in the Company's announcement dated 16 June 2022

A dark teal horizontal banner with the text "BUSINESS REVIEW" in white, bold, uppercase letters. The banner is positioned over a background of silhouetted business professionals in a city at night, with a large globe on the left and a light green geometric pattern on the right.

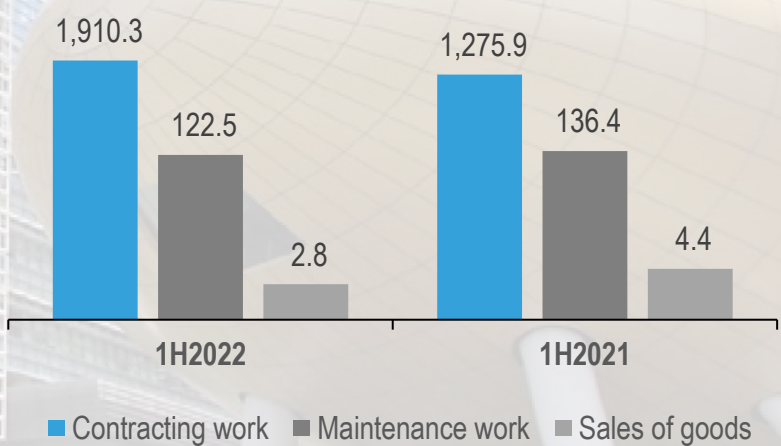
BUSINESS REVIEW



Contracts-in-hand:
HK\$6,391 million, up 24.4%

+43.7%

Segment Revenue
(HK\$'M)





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

Over 50% of building services projects having adopted BIM in coordination and project management work

Expanding MiMEP facilities

- Successfully completed a public mortuary project, to address the urgent need due to the 5th wave of COVID

Developing proprietary ABSPM coupled with digitalisation technologies

- Improve quality, safety, cost and project management significantly

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

Huge potential for Data Centres

- Doubling of floor area expected in the next five years with CAGR of 11.4% in HK

New Business Model

More than HK\$127M of new maintenance contracts secured

- Contributed by both private sectors and HKSAR Government



SIGNATURE PROJECTS

Reprovisioning of Fu Shan Public Mortuary



Contract sum: Over HK\$230M



Proposed Commercial Development at New Kowloon Inland Lot No. 6557, Kai Tak Development



Contract sum: Over HK\$860M



AIRSIDE, Kai Tak Development



Contract sum: Over HK\$700M





SIGNATURE PROJECTS

Great Opportunities in Infrastructure and Healthcare Sector

Hong Kong West Hospital Clusters



HKIA Three Runway System Project - North Runway Modification Works





SIGNATURE PROJECTS

Leading Data Centre Infrastructure Service Provider

Construction of Government Data Centre Complex



Contract sum: Over HK\$900M

Construction of Data Centre for large local colocation company



Contract sum: Over HK\$300M

Maintenance Services of Data Centre for financial institution



Contract sum: Over HK\$25M



SIGNATURE PROJECTS

Involvement in Greater Bay Area

Hong Kong Jockey Club Conghua Racecourse, Mainland China



Contract sum: Over RMB170M

Galaxy Hotel Lot 4, Macau

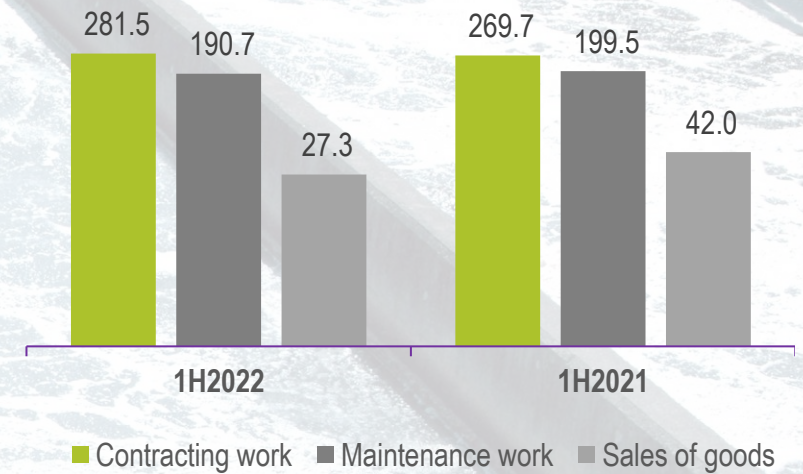


Contract sum: Over MOP1,000M



Contracts-in-hand:
HK\$4,953 million

Segment Revenue
(HK\$M)





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
- AMSFS III (Containerised Multi-Stages Magnetic Flocculation & Sedimentation Process)
- Aerobic Granular Sludge
- State-of-the-art water and wastewater treatment technology

New Market

Active overseas tendering
e.g. Philippines, Vietnam etc.

- Kaliwa, Philippines
- Wawa, Philippines

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**



SIGNATURE PROJECTS

**Yuen Long Sewage Treatment Works
and Yuen Long Effluent Polishing Plant**



Contract sum: Over HK\$1,200M

**New Leachate Treatment Plant for
North East New Territories Landfill Extension (NENTX)**



Contract sum: Over HK\$200M



SIGNATURE PROJECTS

Cheung Chau Sewage Treatment and Disposal Facilities



Contract sum: Over HK\$300M

Maintenance Works in Castle Peak Power Station and Black Point Power Station



Contract sum: Over HK\$100M



SIGNATURE PROJECTS

Food Waste Pre-treatment Facilities at Sha Tin Sewage Treatment Works



Contract sum: Over HK\$110M

Term Contract for Inspection, Overhaul and Testing of E&M Installations at Stonecutters Island Sewage Treatment Works



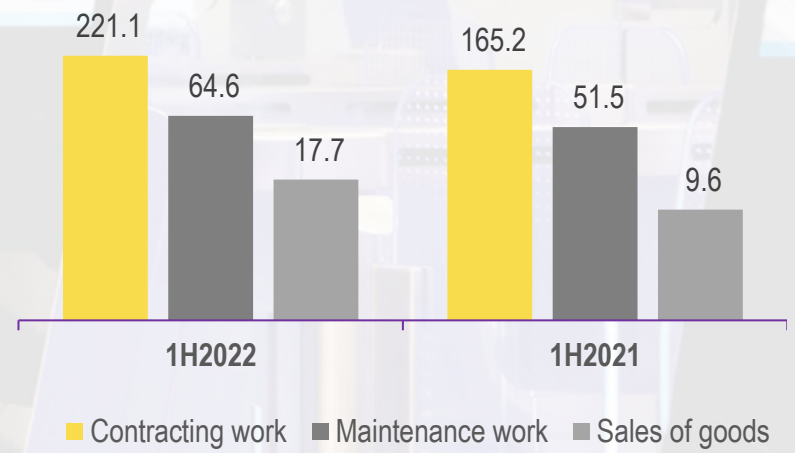
Contract sum: Over HK\$410M



+34.1%

**Contracts-in-hand:
HK\$1,059 million, up 13.0%**

Segment Revenue (HK\$M)





Offering green and intelligent building solutions with integrated ICT and building energy & management technologies to facilitate Hong King's evolution towards a Smart City

Smart Mobility

Smart Living

Smart Environment

Smart People

Smart Economy

New Technology



- Cloud-based Web Portal: Smart Building Platform integrated with Digital Twin
- AI Energy Management Platform
- IoT-based BMS
- Video Analytics
- Robotic Solutions
- New Indoor Air Quality (IAQ) Technology
- Solar Pavement

New Market

Seize opportunities in the areas of Smart Mobility, Smart Living and Smart Environment to contribute to the development of Smart City

New Business Model

Subscription Basis (SaaS) for energy and technology businesses

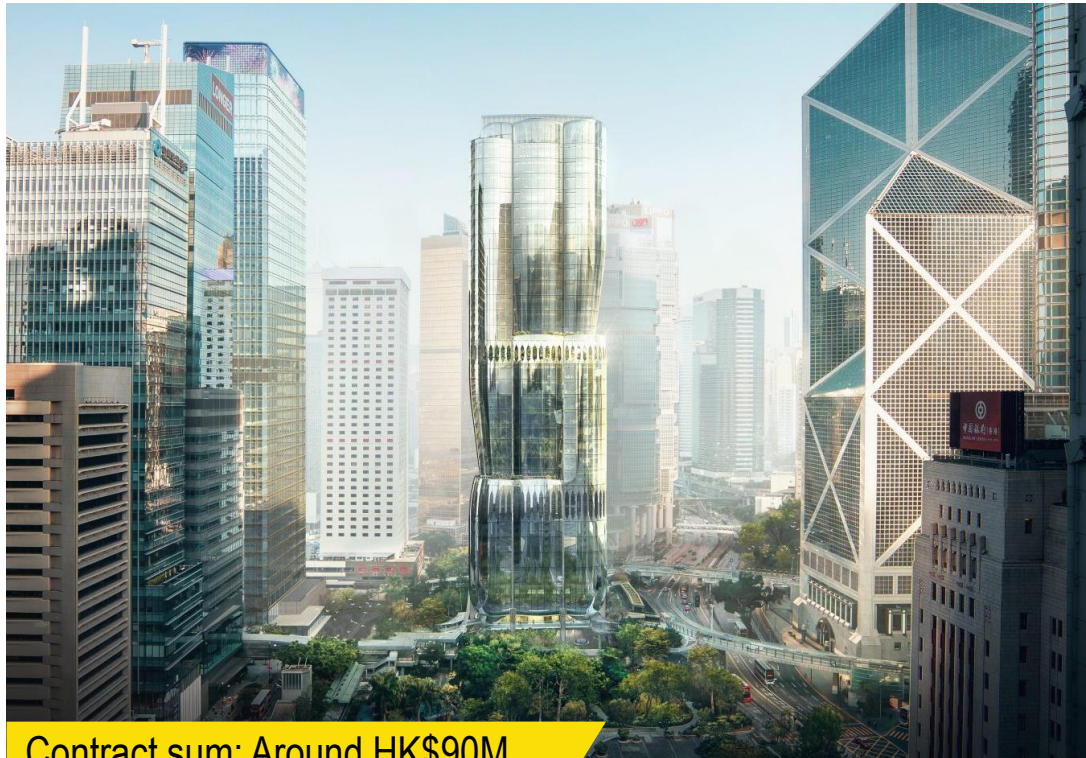
Green and intelligent building solutions

Deploy digital technologies and provide on-going energy consultancy services to strengthen maintenance service capabilities



SIGNATURE PROJECTS

Comprehensive Solution of AI Energy Management Platform, IoT Applications, Video Analytics and Digital Twin for Proposed World Class Smart Office Building at 2 Murray Road



Contract sum: Around HK\$90M

BMS, IoT and Energy System Installation for Fortune's Shopping Malls



Contract sum: Around HK\$20M



SIGNATURE PROJECTS

IoT-based Smart Hostel Solution with IT systems for the New Student Residence of HKU



MiC project

Contract sum: Around HK\$30M

Multi-functional Smart Lampposts Pilot Scheme



Contract sum: Around HK\$10M



ANLEY ELEVATOR LTD
安力電梯有限公司
MAINTENANCE SERVICE DEPARTMENT
24 2965 7163
2613 5796

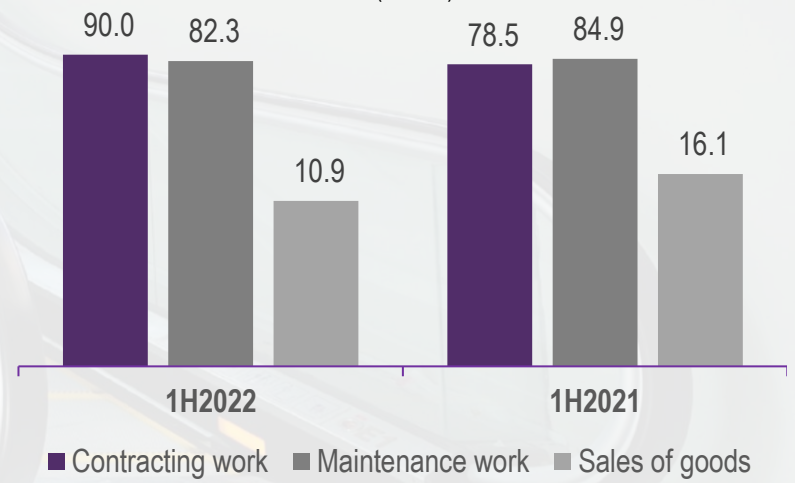

+2.1%

Contracts-in-hand:

HK\$516 million

Segment Revenue

(HK\$'M)



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



Acclaimed Lifts and Escalators Brand



Lifts

Escalators

Moving Walkways

New Technology

- Predictive Maintenance and Remote Monitoring System (APMRMS) for lifts and escalators
- Puzzle Stacking System carpark with flexible APS
- New Machine-Room-Less MRL lift

New Market



United Kingdom



- Serve millions of users in **Asia, the Americas and Europe**
- Seeking new distributors in the **United States, Singapore, Australia and South America**

New Business Model

- Increase resources to strengthen **maintenance** service capabilities
- Completing a **RMB60 million expansion** of its Nanjing factory facilities to increase production capacity
- **Synergy with local partners** to enhance global coverage

SIGNATURE PROJECTS

Central-Mid-Levels Escalator and Walkway System



Contract sum: Around HK\$130M

SIGNATURE PROJECTS

Series Projects of Puzzle Stacking Automated Parking System



Contract sum: Around HK\$10M

Provision of Universal Accessibility Facilities at Footbridges, Elevated Walkways and Subways



Contract sum: Over HK\$20M

SIGNATURE PROJECTS

New Market: Global Expansion

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

United Kingdom



- Our first foothold in Europe
- **'Safe Contractor'**: Obtained ISO 9001, 14001 and 45001 UKAS certifications

United States



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 this year
- **Invest RMB60 million** in enhancing the production capacity



Mass transportation, Brazil



Hotel, Mexico

Generate Recurring Revenue

Contribution to the Group's revenue

1H2022
15.2%

Term contract of MTR Shatin Central Link Tuen Ma Line



Contract sum: over HK\$100M

- Mechanical and Electrical Maintenance Services

Maintenance contract for Two ifc and ifc mall



Contract sum: around HK\$10M

- **1-year maintenance contract** for maintenance services of BMS system

Water Supplies Department



Contract sum: over HK\$300M

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

Electrical and Mechanical Services Department



Contract sum: over HK\$50M

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



**OUTLOOK &
GROWTH STRATEGIES**

Infrastructure

- Annual construction output in Hong Kong is estimated to reach **HK\$300 billion**
- **Varies mass transit railway expansion** projects in Tung Chung, Tuen Mun, Hung Shui Kiu and Kwu Tung
- Other key projects include the plan to **develop Lantau Island as an “aerotropolis”**

Healthcare

- An expenditure of **HK\$200 billion** is expected as part of the **10-year Hospital Development Plan** with a further **HK\$300 billion** investment in the **second 10-year hospital development plan** to improve clinic and health care facilities

Data Centre

- Hong Kong remains **one of the most attractive data centre locations in the APAC region**
- To cater to the demands, data centre operators must continue to build new data centre or upgrade existing infrastructure

Smart and Sustainable City

- **Next generation** territory-wide connectivity to enable **big data analytics, artificial intelligence**, and **IoT** in urban applications

New Technology

- Achieve continual improvement and **adopt new technologies** across all of our business segments
- Further invest in **R&D** of **IoT, AI, Big Data Analytics, MiC, MiMEP, ABSPM, BIM** and more

New Market

- Seek **synergistic business partners** to expand our footprint, **create new business opportunities** and **build new revenue streams**
- Explore further business opportunities **across the globe**

New Business Model

- **Strengthen O&M service capabilities**
- Deploy intelligent automation systems, and our **state-of-the-art “Predictive Maintenance and Remote Monitoring System”**
- Constantly review and innovate business models (**PPP, Subscription Basis**)

Focus on Fundamentals

- Ensure the adaptation of the **best practices**, proactively identify and mitigate risks, by carefully **managing human resource availability**, mitigating material cost fluctuations, and enhancing technical and ethical training



Q&A



THANK YOU