

Stock Code: 2736



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# **OUTLINE**

Analysis of Market Trend

Operation
Strategy and 04
Future Prospect

**01** Company Profile

03 Summary of Opera

# .St Company Profile



# **General Information of the Company**

HOYA Resort Hotel, located in East Taiwan with pure and beautiful landscape, provides travelers with comfortable and relaxing leisure space.

With the effort of the Company, HOYA Resort Hotel Group holds 8 locations in areas extended to middle and South Taiwan. Each location provides leisure, commercial, group services for diversified guests based on its features.

| Company Name                          | HOYA Resort Hotel Group |
|---------------------------------------|-------------------------|
| <b>Establishment Date</b>             | July, 2008              |
| Date of Listing in Taipei<br>Exchange | January, 2016           |
| Paid-in Capital                       | NT\$ 489 million        |
| Chairman                              | Liu, Ching-lang         |
| General Manager                       | Yang, Shu-chang         |
| Employee number of the Group          | 314                     |
| Main Business Scope                   | Hotels and Motels       |



# **Group Locations**







In response to the New Southbound Policy of the Government, we expended to Myanmar.



# **Group Locations**

- The Company made a bid to operate "Tainan Guanzihling Labor Recreation Center" of Labor Affairs Bureau, Tainan City Government in 2022, invested in the establishment of "HOYA Resort Hotel Guanziling," and signed the cooperation contract with the public sector.
- The establishment of the location brings new atmosphere to the operation of the Group, and we plan to start the operation of Japanese-style hot spring hotel since 2023.





# **GOYA Hot Springs Hotel** & Spa

Located in Jhihben Hot Springs area.

There are about 580 guest rooms, capable of providing organizations, enterprises or any other big groups with sufficient reception space.







# **HOYA Hot Springs Resort & Spa**

Located in Jhihben Hot Springs area.

There are 99 guest rooms. Centered on the Jhihben Beauty Hot Spring, the space is comfortable and intimate warmth. Complemented by our purpose of human-oriented service, we make guests feel at home.









### **HOYA Resort Hotel Taitung**

Located in the urban district of Taitung City, with a convenient position.

There are 80 guest rooms, providing travelers and business person a comfortable accommodation in the central Taitung.







#### **HOYA Resort Hotel Hualien**

Located in urban Hualien City, near the railway station, attractions and shopping area.

There are 189 guest rooms. This is a leisure business hotel, with standard, luxury, family and VIP rooms, to fulfill different vacation









#### **HOYA Resort Hotel Kaohsiung**

Located in Asia New Bay Area of South Kaohsiung.

There are 206 guest rooms, including star-rated business hotel, and Dou Ding Motel. We offer travelers with a variety of leisure options. Wish all travelers can enjoy the pretty of this port city, and immerse in the atmosphere of peace and comfort we provided.









# **HOYA Resort Hotel Kaohsiung**









## **HOYA Inn Wuling**

Located in Wuling area, inside Shei-Pa National Park.

There are 24 guest rooms. "HOYA Inn Wuling" is close to the entrance of hiking trail gate of Taoshan Waterfall, surrounded by forests, with great natural scenery, providing mountain climbers a recreation site.







### **HOYA Resort Hotel Wuling**

Located in Wuling area as well, under an OT contract with the government to operate.

There are 143 guest rooms, providing travelers with accommodation and catering services, allowing guests to enjoy the unique successive beauty of the four seasons, clouds and mists in the mountains, and water, and to be









#### **HOYA Resort Hotel Chiayi**

Located in Minxiong Township of Chiayi County, adjacent to National Chung Cheng University.

There are 196 guest rooms, offering comfortable and cozy space just as the image of Chiayi, simple and cordial. We provide an accommodation makes guests enjoy the beauty of Chiayi and feel like at "home".







# Honorary Awards of the Group in Recent Years

Certified Silver-level Green Hotel by Chiayi County Government (HOYA Resort Hotel Chiayi)

Certified Low-Carbon Hotel by Taichung City Government (HOYA Resort Hotel Wuling)

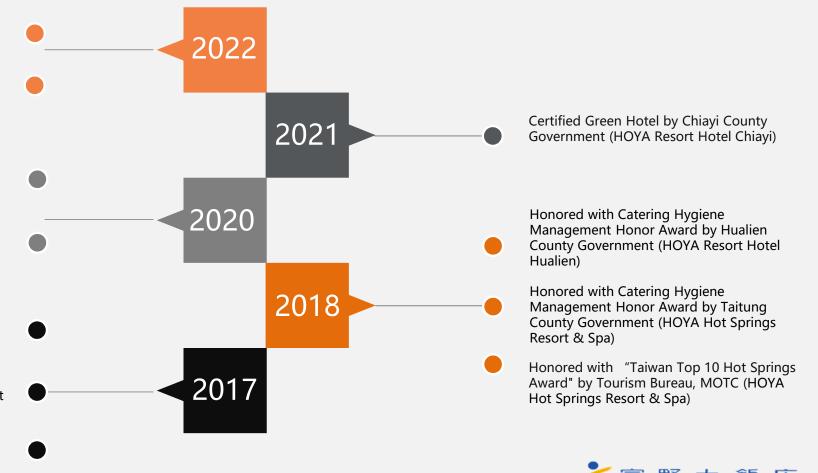
Honored with Catering Hygiene Management Honor Award by Taitung County Government (HOYA Hot Springs Resort & Spa)

Certified Muslim Friendly Restaurant by Muslim Association (HOYA Resort Hotel Kaohsiung)

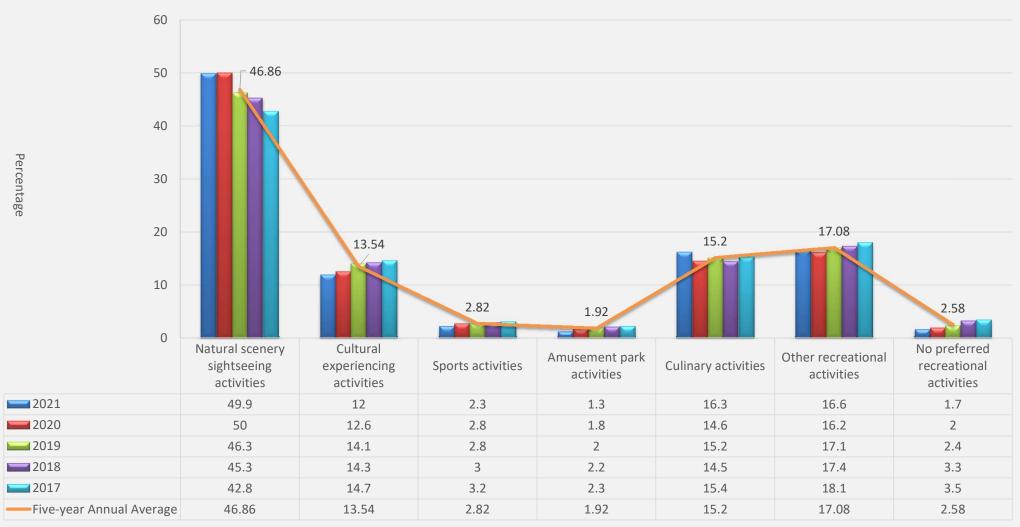
Honored with Catering Hygiene Management Honor Award by Taitung County Government (GOYA Hot Spring Hotel and Spa)

Honored with Kaohsiung Green-Building Award(Commercial Building)(HOYA Resort Hotel Kaohsiung)

Honored with Kaohsiung Green-Building Solar Photovoltaic Equipment Award (HOYA Resort Hotel Kaohsiung)



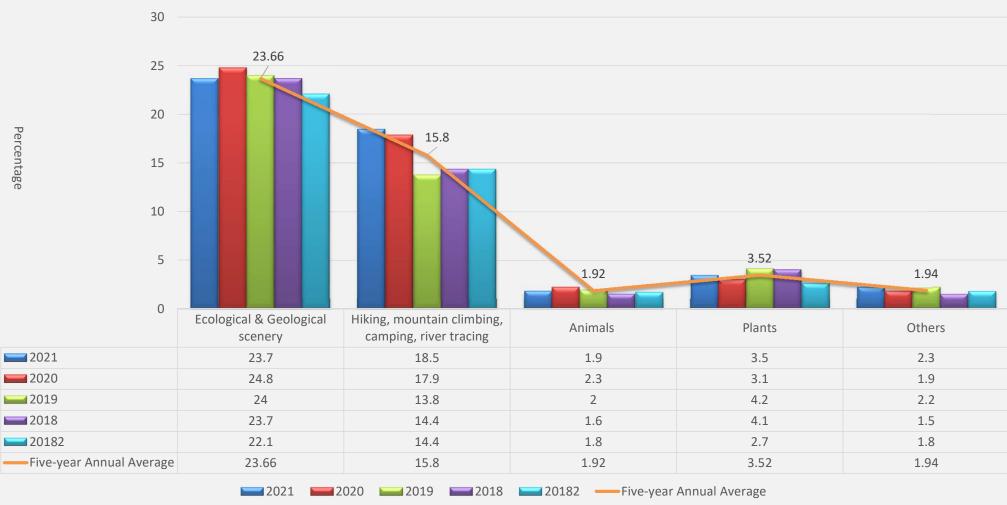




Source: Tourism Bureau, M.O.T.C.-Surveys and Analysis-Survey of Travel by R.O.C. Citizens



#### **Recreational Activities-Sightseeing Activities**





## **Summary of Domestic Travel**

According to the survey and analysis of the past five years made by Tourism Bureau, there are slight changes in travel planning by citizens.

- Citizens still prefer immersing in the natural environment as recreational activities. However, based on the 5year trend, the ratio of outdoor activities, such as camping, mountain climbing, and hiking, increases year after year.
- After the pandemic, accompanied by the economic recovery, although the citizens is regaining enthusiasm for travels, still resist foreign travels. Therefore, the stability of domestic travel is enhanced.
- Citizens tend to choose localized deep and high-quality experiencing activities as domestic travel options.



Providing aesthetics, comfortable and high-quality traveling experience are considered important.



Customized schedule and small-group trip are more popular.

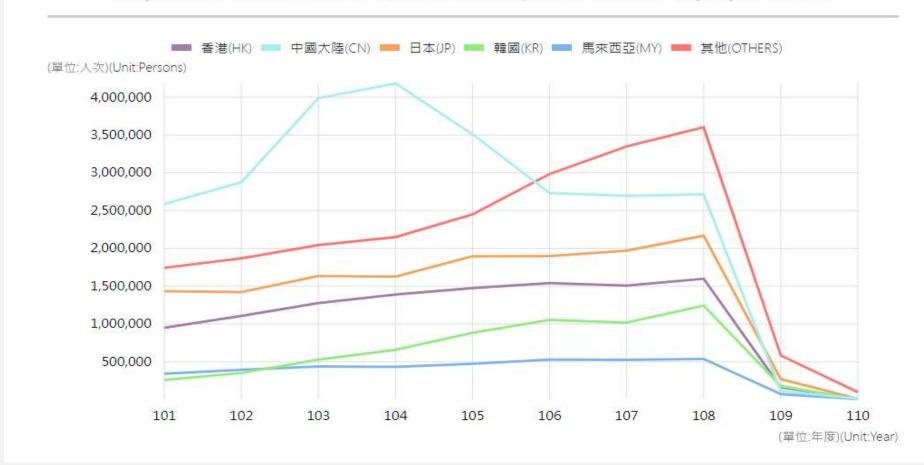


Place emphasis on deep localized experiencing activities and drive regional popularity by subject exploration.



#### 近十年(101~110)日、韓、馬、大陸、港來臺旅客總人次變化

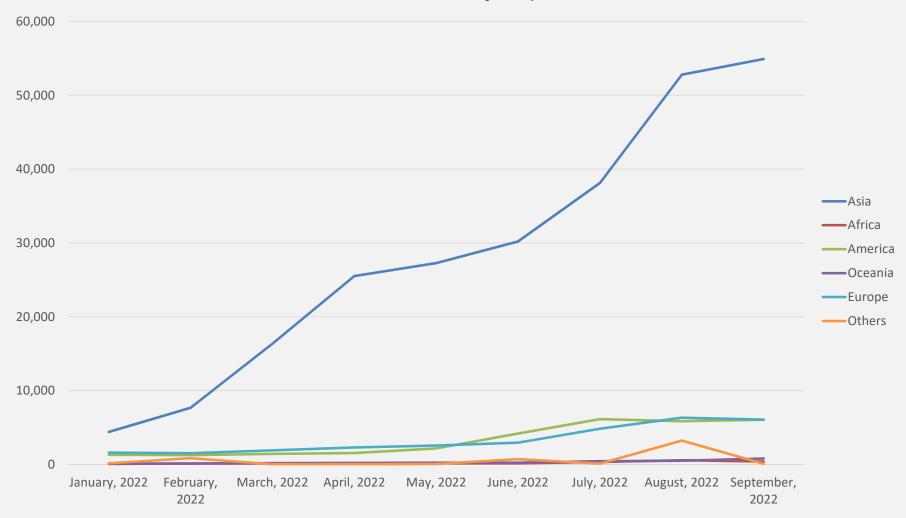
Changes in the number of visitor arrivals from Japan, South Korea, Malaysia, Mainland China and Hong Kong from 2012~2021



Source: Tourism Bureau, M.O.T.C.- Tourism Statistics Database

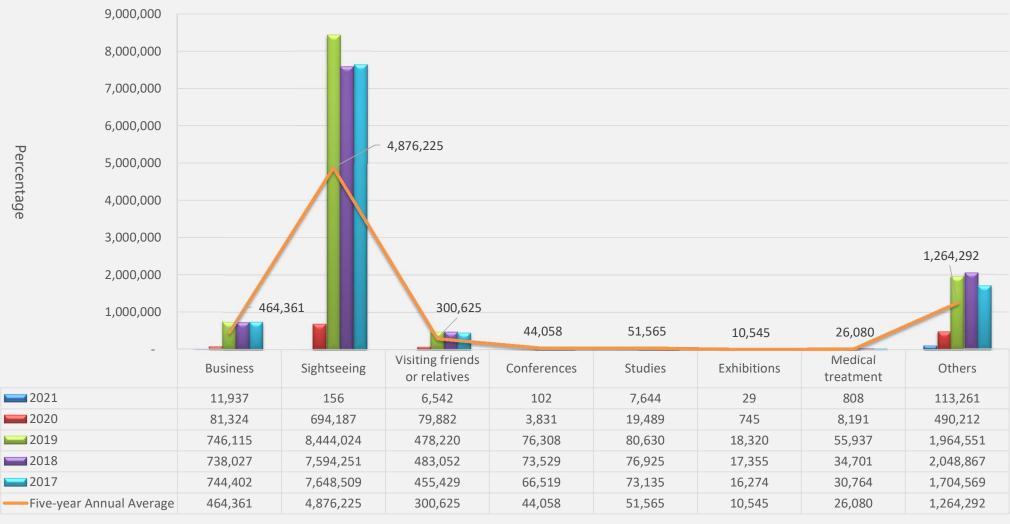


#### Visitor Arrivals in January-September 2022





#### **The Main Purpose of Inbound Visitors**







#### **Summary of Inbound Visitors' Travels**

According to the survey and analysis of the past five years made by Tourism Bureau, the main purpose of inbound visitors is mostly sightseeing. However, due to the COVID-19 pandemic during 2020 to 2021, border disclosure, and strict quarantine policies, the number of inbound visitors drop sharply. Benefited by reopening the border and open to tourism policy, although the number of inbound visitors increased in September, 2022, the trend is going flat and the tourism is not as prosperous as it was before the COVID-19 pandemic. At the present, Taiwan has revealed the international recognition among western countries. Through this strength, and the soft power in tourism and uniqueness of the scenery in Taiwan, it can enhance the solid foundation of Taiwan's tourism.







#### **Total Analysis of the Market**

#### Lack of human resources

Youths are reluctant to serve in hotel housekeeping. Besides, during the pandemic, there were adjustments in personnel structure, so tourism industry is suffering from the lack of human resources under normal operation after the pandemic.

#### Low activeness in Asia-Pacific Tourism market

At present, although inbound visitors from Japan, Korea, and South-East Asia start visiting Taiwan, they' re mainly come as small-group tours.

Additionally, the main forces of Taiwan' s tourism, China-Hong Kong-Marco, still implement strict quarantine policy, so they can not make comprehensive contribution to the Asia-Pacific tourism market.

#### **Increased traveling cost**

Due to the outbreak of COVID-19 and Russia-Ukraine war, the whole world is threatened by energy and high inflation. Therefore, resulted from increased CPI and traveling cost, people become unwilling to spend on traveling.

#### **Higher ratio of short-distance travel**

After the pandemic, people's life style has been changed. One-day living circle makes travelers become passersby.



The situation of not being able to go abroad is consistent globally. Therefore, most people's enthusiasm for tourism has been accumulated for a long time. As soon as the border reopens, people are ready to express the enthusiasm for tourism.

#### Lift of entry ban

The lift of entry quarantine restrictions has induced visitors from neighboring countries to go sightseeing tour in Taiwan, which is the first step of driving the recovery of tourism in Taiwan.

#### **Expectable short-term prosperity in domestic travel**

At the initial stage of reopening the border, some people are still worried about the pandemic situation of foreign tourism. Therefore, some people still plan for domestic travels in recent years.

#### The penetration of digital style

People are highly used to information communication and trading depending on digital network. Digital marketing, social media exposure, and personal media traffic can enhance the visibility of the industry, covering a broader territory without borders.





Summary of Operations

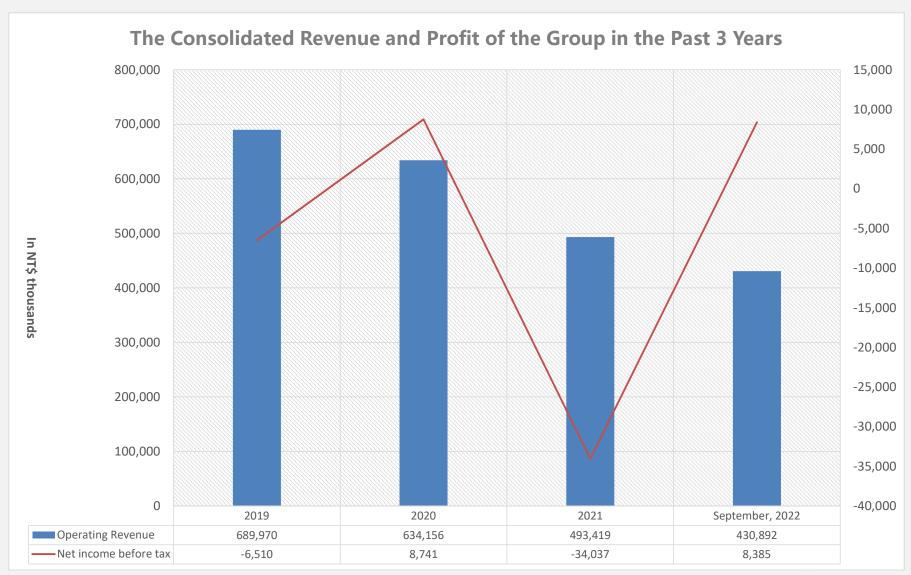


#### **Condensed Consolidated Income Statement**

| Financial information in recent years(in NT\$ thousand)              |         |         |         |         |                    |
|--|---------|---------|---------|---------|--------------------|
| Item   | 2018    | 2019    | 2020    | 2021    | September,<br>2022 |
| Operating revenue  | 615,948 | 689,970 | 634,156 | 493,419 | 430,892            |
| Gross profit   | 297,452 | 333,863 | 345,750 | 254,421 | 238,585            |
| Net operating income   | -34,280 | -4,559  | 28,697  | -30,316 | 18,213             |
| Non-operating income and expenses                                    | -2,269  | -2,465  | 17,034  | 12,910  | -5,796             |
| Net income before tax  | -36,549 | -7,024  | 45,731  | -17,406 | 12,417             |
| Profit from continuing operations before tax                         | -36,549 | -7,024  | 45,731  | -17,406 | 12,417             |
| Profit (loss)  | -30,404 | -6,510  | 8,741   | -34,037 | 8,385              |
| Other comprehensive income (loss), net of tax                        | 11,378  | -5,970  | -117    | -62,448 | 306                |
| Total comprehensive income   | -19,026 | -12,480 | 8,624   | -96,485 | 8,691              |
| Net income attributable to shareholder of the parent                 | -19,026 | -12,480 | 8,624   | -96,485 | 8,691              |
| Net income attributable to non-controlling interest                  | -       | -       | -       | -       |                    |
| Total comprehensive income attributable to shareholder of the parent | -19,026 | -12,480 | 8,624   | -96,485 | 8,691              |
| Total comprehensive income attributable to non-controlling interest  | -       | -       | -       | -       |                    |
| EPS(NT\$)(remark 1)  | -0.62   | -0.13   | 0.18    | -0.69   | 0.17               |
|  |         |         |         |         |                    |

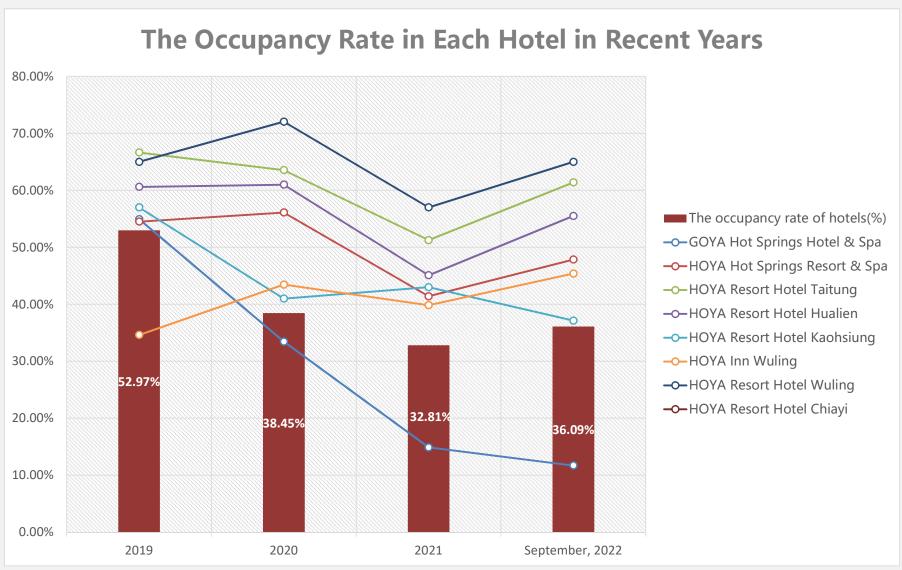
Remark: The financial information is based on the consolidated financial statements of HOYA Resort Hotel Group.

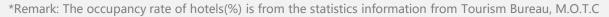














#### The Market Summary of the Group

#### Our products spread in urban and country areas.

- HOYA Resort Hotel Kaohsiung, Hoya Resort Hotel Taitung, Hoya Resort Hotel Hualian are located in urban areas with traffic convenience, which are positioned as business leisure hotels.
- GOYA Hot Spring Hotel and Spa, HOYA Hot Springs Resort & Spa and subsidiaries (including newly established Guanzihling subsidiary) are located in scenic areas with magnificent scenery, and positioned as resort leisure hotels, providing travelers with downshifting environment to enjoy the hot spring and wander in the forests.
- Eastern Taiwan area is a popular tourist spot. Accompanied by Year of Mountain Tourism and Year of Cycling Tourism that the government promoted, the sales of our products boost.



#### The locations of the group spread in middle and south Taiwan.

- The group owns 9 hotels. Hotels located in Eastern Taiwan area account for the largest proportion.
- The occupancy rates of each hotel in recent years are higher than the average values gathered by the Tourism Bureau.
- Among them, GOYA Hot Spring Hotel and Spa and branches (Hoya Resort Hotel Taitung, HOYA Hot Springs Resort & Spa) owns 764 guest rooms, accounting for 10% of total hotel guest rooms in Taitung area (remark). The hotel offers the most guest rooms in single hotel in Taitung.

Remark: Based on Report on Hotel Operations in Taiwan released by the Tourism Bureau, the number of rooms occupied in Taitung County in 2021 is 2,729,921, about 7,479 per day.

#### Post-pandemic era is coming, the economy is ready to recover.

- According to the most updated data from UNWTO, the number of international travelers in January, 2022 in the whole world has doubled compared with the same period last year, which indicates that the travelers in the whole world is regaining confidence and Europe and America are leading the tourism to recover.
- Citizens in Taiwan put more emphasis on physical and mental leisure after the pandemic, so most people are more willing to plan for trips on weekends and holidays.

#### The domestic travel is booming, and there are changes in market territory.

- Due to the pandemic, the number of inbound visitors declined sharply in the last two years, which drives the expansion of the domestic travel market territory and the increase in accommodation demand, mainly for leisure hotels. The locations of HOYA Resort Hotel Group are mainly leisure hotels as well, so even during the period of level 3 epidemic alert, the occupancy rate remained stable.
- There are increases in family, parent-child, downshifting travel types, so the Group promotes parent-child room, long-stay package, and consecutive-stay package to enhance the growth of occupation rate.





#### The Favorable Factors of the Development of the Company



# Tourism Promotion by the Government

 In response to the government's emphasis on tourism and the promotion of subjective activities, increase the number of inbound visitors and citizens' participation.



# The Emphasis on Leisure Life

 With the growth of leisure travel and the importance on the quality of livelihood, the demand has increased especially in scenic spots.



# The Optimization of Traffic System

 Accompanied by the gradual improvement of the traffic network connecting the west Taiwan, such as Express of Taiwan Railway, and the broadening of South Link Highway, the time cost people spend on traveling sharply declined.



# The Growth of Digital Media

 The exposure of social media increase the visibility and coverage of the Company.



#### **Operations Risks and Countermeasures**

# Obvious high and low seasons does harm to the investment and operation of tourism.

- Decrease the difference between high and low seasons by subject package promotion or discount strategy.
- Promote toward specific groups, such as business travelers, Military, public and educational personnel, teachers and students, in low season.
- Develop multiple services
- Cross-industry-alliance

# Hotel expansion and increase of the number of guesthouse raise the supply of guest rooms.

- Maintain current guests
- Enhance brand image by market promotion
- Increase the value of service

# It's hard to recruit professionals, and human resource is scarce after pandemic.

- Secure the welfare of employees on active duty.
- Increase the value of employees by education training.
- Cultivate management trainee
- Improve the willingness of talents' entering by improving the Group' s image and awareness.

# The commodity cost increased in the consumer market.

- Purchase by group with price on a quantitative basis.
- Pay attention to cost control and the stock adjustment.
- Reflect cost in sales of products. At the same time, consolidate guests' satisfaction and feeling of quality.



#### **Future Development and Plans**

Keep Cultivating As A Domestic Travel Brand Actively Penetrate into the Inbound Visitor Market

Operate the hotel sustainably by green energy



After the cultivation by the Group for many years, we enter the tourism market successfully by customer-friendly image. We plan to

- Create experiential travel activities, to satisfy the sense of value that modern travelers pay more attention to.
- Offer guests diversified travel options by subject cooperation package.
- Keep promoting local travel light, trading time for space.



Under the support to tourism and the promotion on international marketing by the government, the Group will actively strive for gearing to international conventions.

- Launch our products on foreign travel platform to increase the visibility of the Group.
- Headed by the urban hotels, promote as the front-line image by the inducement of traffic convenience.
- Locations of Group's leisure hotels, with splendid natural scenery provide inbound travelers immerse the beauty of Formosa.



As a listed company in Taipei Exchange and a member who wishes to endeavor for the world, in addition to the <u>Silver-level of Green Hotel</u> honor, we keep improving the equipment of the hotel.

- Replace with equipment certified with Green Mark to achieve energy-efficient effect.
- The air conditioners have adopted automatic variable frequency control system.
- Increase the portion of local sourcing to reduce carbon emission.



#### **Corporate Sustainability**



The success of the hotel is inseparable with the support from the community citizens. Therefore, HOYA gives back to the community, and neighborly makes efforts to community involvement.

- Sponsor a hotel meal to Ping Deng **Elementary School**
- Sponsor mother's day community care and concern concert
- Sponsor the graduation trip of LiouGuei Primary School
- Sponsor the accommodation to the children from Cih Huei Garden of **Nursery Center**



#### Strengthen corporate governance

- **HOYA** Resort Hotel Chiayi was certified as Silver-level of Green Hotel in 2022, and the other hotels in the group will follow
- At present, each hotel in the group has introduced no spare parts environmental protection package.
- The procurement of the Group considers green products with Green Marks.
- The restaurants use locally sourced or organic agricultural products as ingredients.

#### Keep engaging in public welfare

HOYA is deeply acknowledged with the importance of contributing to the society, so participates in a variety of public welfare activities in recent years, as well as in the future.

- Join TOAF activity-" afforestation & salmon resurrection"
- Join charity sale of pomelo arranged by Genesis Social Welfare Foundation
- Donate guest rooms to National Taitung Junior College
- HOYA hotel invited PVS families to gather around the table to eat Chinese New Year Eve's dinner.
- Keep donating to Genesis Social Welfare Foundation until now

#### Contribute to the community



Under the world trend, corporate governance is a nonnegligible part. Hoya keeps remembering the items as follows and never relaxes.

- Secure shareholders' equity
- Enhance opaque information
- Strengthen the duties of the board of directors
- Make full use of the functions of commissions
- Respect the stakeholders' rights
- Integrity management

#### **Enhance hard power** of green energy

















#### **Future Prospect**

HOYA Group upholds to the business concept, which is "service-oriented, respect and honor guests." All employees are striving for the development and improvement of tourism relentlessly, which makes HOYA Group successfully build up reputation and image in the tourism market.

In the future, we' Il delicate to chain-orientation, high-end, sophistication, and international sustainable operation. We not only aim at satisfying guests' requirements, but also wish to become the benchmark of the leisure tourism in Taiwan.



# Welcome to Hoya Resort Hotel Group 建鎮化,頂級化,精緻化,國際化,您的侵資級店首選 chain-orientation, high-end, sophistication, and international, your best choice of high-quality hotel

# 謝謝您的聆聽與指教

Thank you for your listening

