

Ticker Symbol : 2006



**東和鋼鐵企業股份有限公司**  
TUNG HO STEEL ENTERPRISE CORP.

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# 2024 Investor Conference

Sep 11, 2024

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- The information contained in this presentation and its accompanying announcements, including its business outlook, financial position and business forecasts, is based on internal information and external economic developments as a whole.
- The Company's actual results of operations, financial condition and results of operations may differ from the forecasted information, which may be due to various factors including but not limited to market demand, changes in various policies and regulations and the overall economic situation, and other factors or risks the Company can not control.
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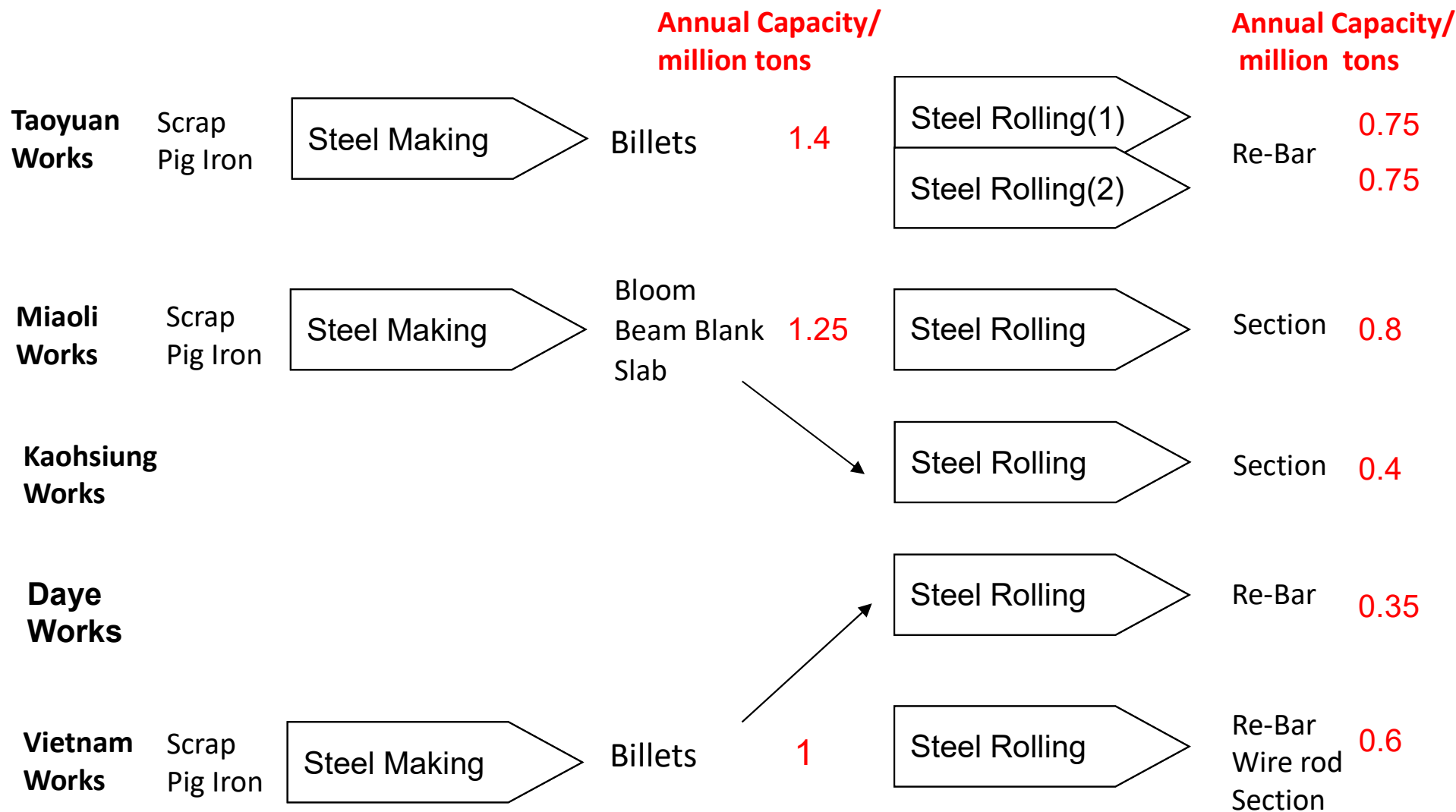
# Agenda

- 1. Corporate Profile**
- 2. Financial Performance**
- 3. Key Messages**
- 4. Q&A**

## **Corporate Profile**

- **Date of incorporation : May 30, 1962**
- **Date of IPO : July 13, 1988**
- **Issued common stock : 730,214 thousand shares**
- **Number of employees : 2,120**
- **Head Office : 6F., No.9, Sec. 1, Chang-an E. Rd., Taipei City, Taiwan**
- **Corporate culture : Self-discipline. Love of knowledge. Optimism.**

# Facilities and Products



# Agenda

**1. Corporate Profile**

**2. Financial Performance**

**3. Key Messages**

**4. Q&A**

# Consolidated Statements of Comprehensive Income

For the six months ended June. 30

	2024	2023	%
(Expressed in Millions of New Taiwan Dollars)			
Operating revenue,net	30,281.01	29,073.04	104.15%
Operating costs	(26,039.90)	(25,020.35)	104.07%
Gross profit,net	4,241.11	4,052.69	104.65%
Operating expenses,net	(1,294.90)	(1,226.19)	105.60%
Operating profits	2,946.20	2,826.50	104.24%
Non operating income and expenses	15.27	17.39	87.82%
Income tax expense	(685.73)	(649.36)	105.60%
Income from Continuing Operation	2,275.75	2,194.52	103.70%
Income from Discontinued Departmen	0.00	35.06	0.00%
Net income	2,275.75	2,229.59	102.07%
attributable to owners of parent	2,255.57	2,221.73	
Non controlling interests	20.18	7.86	
Earnings per share	3.09	3.04	
Gross profit ratio (%)	14.01%	13.94%	
Operating profit ratio (%)	9.73%	9.72%	
Net profit ratio (%)	7.52%	7.67%	

# Consolidated Balance Sheets

	2024.06.30		2023.12.31		2023.06.30	
(Expressed in Millions of New Taiwan Dollars)	AMT	%	AMT	%	AMT	%
<b>Current assets</b>	<b>31,426.10</b>	<b>57%</b>	<b>32,267.66</b>	<b>57%</b>	<b>31,005.94</b>	<b>56%</b>
Cash and Current financial assets	1,908.68	3%	1,877.29	3%	2,018.23	4%
Receivable,net	8,325.86	15%	9,059.42	16%	8,719.13	16%
Inventory	19,421.22	35%	19,894.02	35%	18,802.88	34%
other current assets	1,770.34	3%	1,436.93	3%	1,465.70	3%
<b>Non current assets</b>	<b>23,875.07</b>	<b>43%</b>	<b>24,111.22</b>	<b>43%</b>	<b>24,677.11</b>	<b>44%</b>
Real properties, plants and devices	18,815.35	35%	19,052.25	34%	19,597.59	35%
other non current assets	5,059.71	9%	5,058.98	9%	5,079.52	9%
<b>Total assets</b>	<b>55,301.16</b>	<b>100%</b>	<b>56,378.88</b>	<b>100%</b>	<b>55,683.04</b>	<b>100%</b>
<b>Current liabilities</b>	<b>21,215.15</b>	<b>38%</b>	<b>23,146.74</b>	<b>41%</b>	<b>23,767.21</b>	<b>43%</b>
Short term loans	12,765.46	23%	13,884.66	25%	15,537.90	28%
other current liabilities	8,449.68	15%	9,262.08	16%	8,229.31	15%
<b>Non-current liabilities</b>	<b>3,683.83</b>	<b>7%</b>	<b>2,070.97</b>	<b>4%</b>	<b>3,149.79</b>	<b>6%</b>
<b>Total liabilities</b>	<b>24,898.98</b>	<b>45%</b>	<b>25,217.70</b>	<b>45%</b>	<b>26,917.00</b>	<b>48%</b>
<b>Total equity</b>	<b>30,402.19</b>	<b>55%</b>	<b>31,161.18</b>	<b>55%</b>	<b>28,766.05</b>	<b>52%</b>
<b>Total liabilities &amp; equity</b>	<b>55,301.16</b>	<b>100%</b>	<b>56,378.88</b>	<b>100%</b>	<b>55,683.04</b>	<b>100%</b>

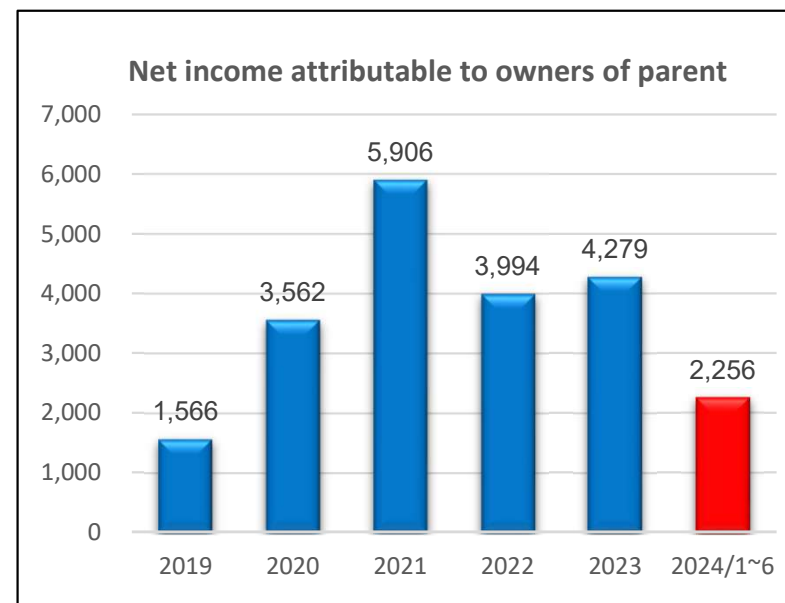
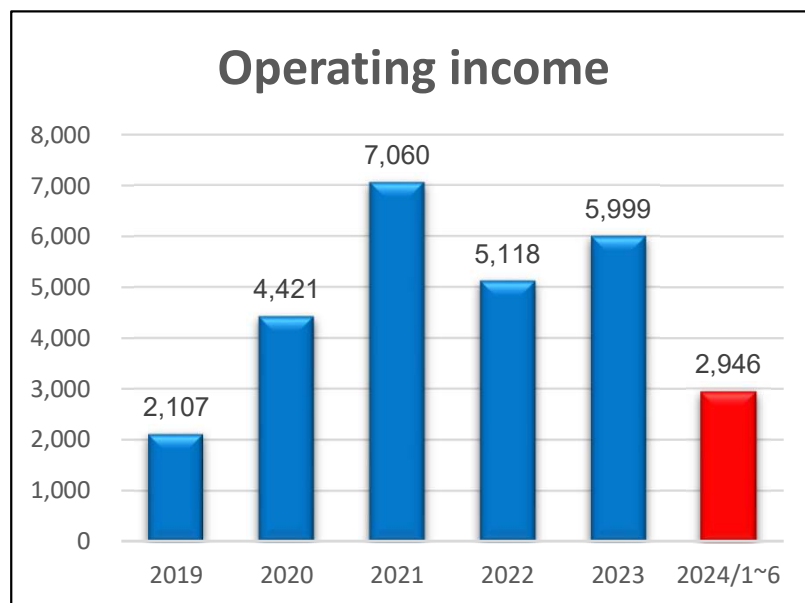
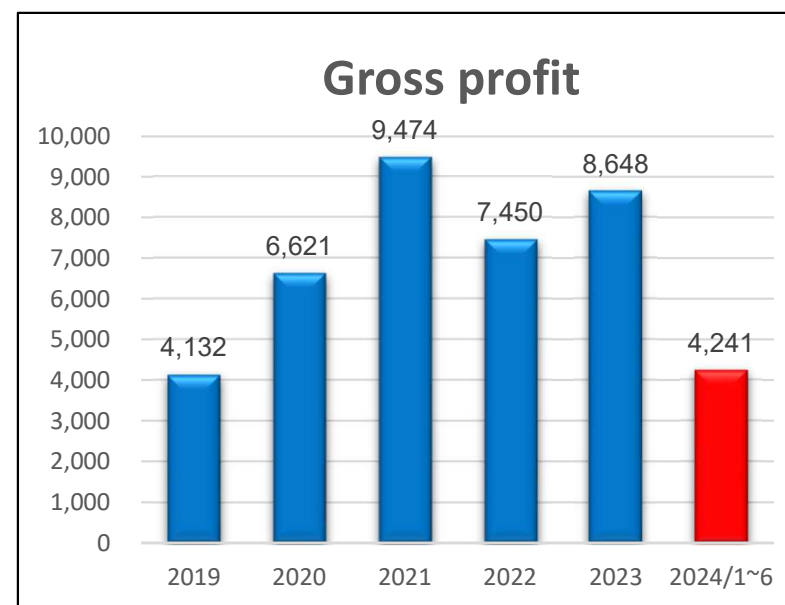
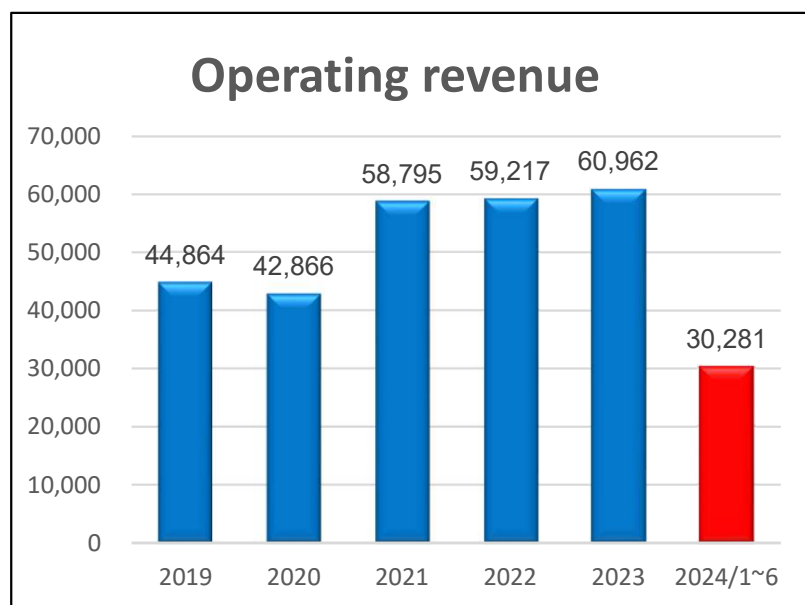


# Consolidated Statements of Cash Flows

(Expressed in Millions of New Taiwan Dollars)	For the six months ended June. 30	
	2024	2023
Cash at the beginning of period	1,732.67	2,126.51
Cash flows from operating activities	3,162.52	1,726.07
Cash flows from investing activities	(405.44)	(249.62)
Cash flows from financing activities	(2,825.48)	(1,792.36)
Effect of exchange rate changes	98.60	(33.55)
Cash at the end of period	1,762.87	1,777.05
Free Cash flows	2,757.08	1,476.45
Cash dividends	3,066.90	2,555.75

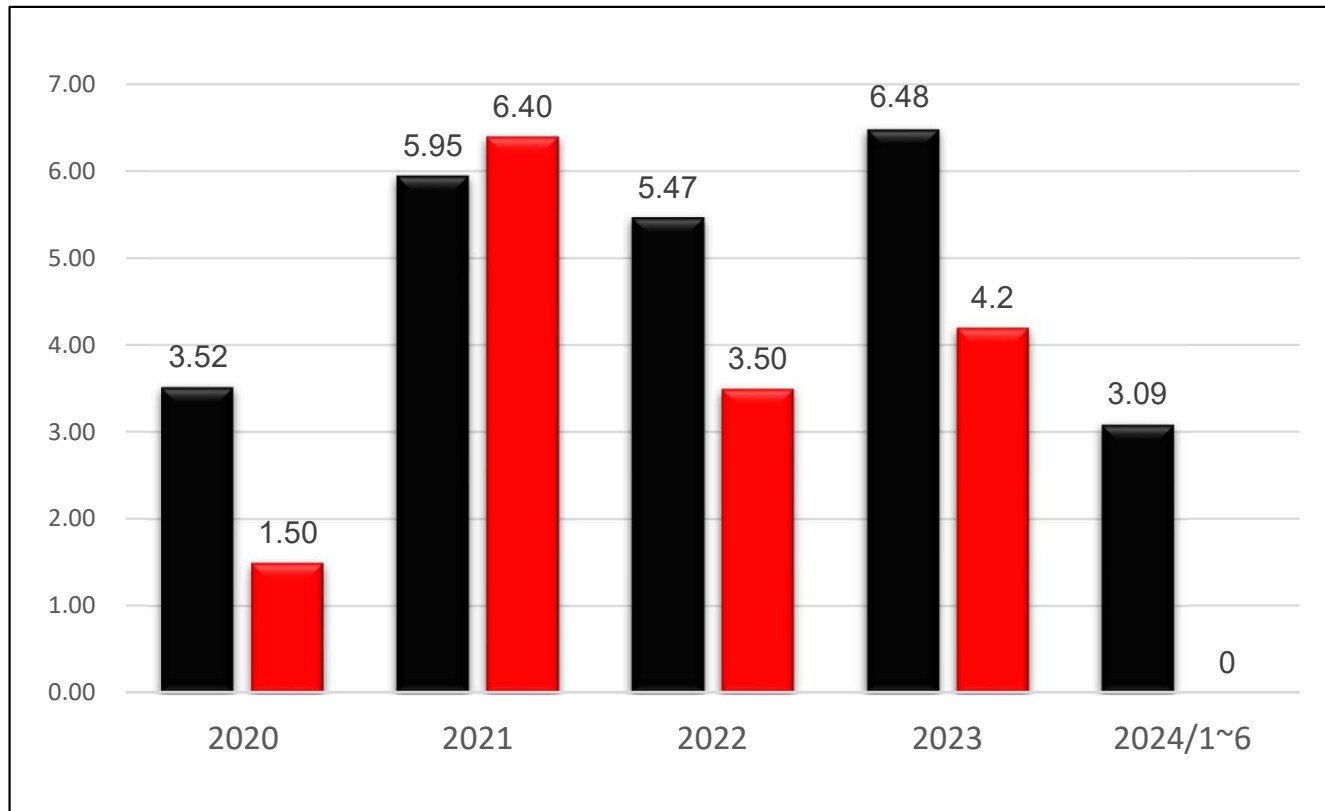
(NT\$Millions)

## Historical Operating Results



# Historical Dividend

(NT\$)



■ Earnings per share

■ Dividend per share

# Agenda

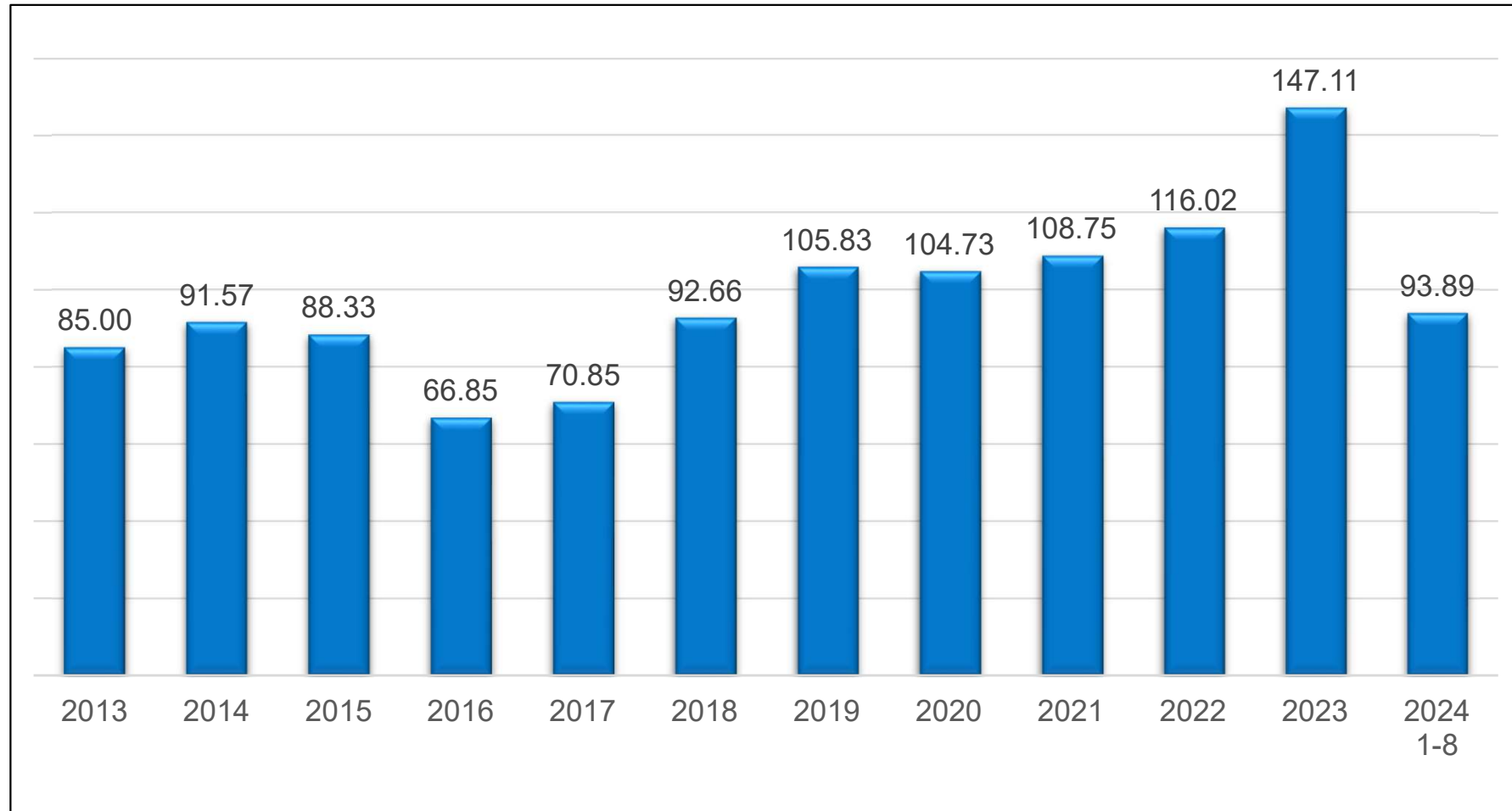
1. Corporate Profile
2. Financial Performance
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## **Key Messages**

- 1. In 2023, Daye Works' rolling mill production**
- 2. THSVC rolling mill put into production**
- 3. Domestic H-beam demand and production**
- 4. Corporate Governance Performance**

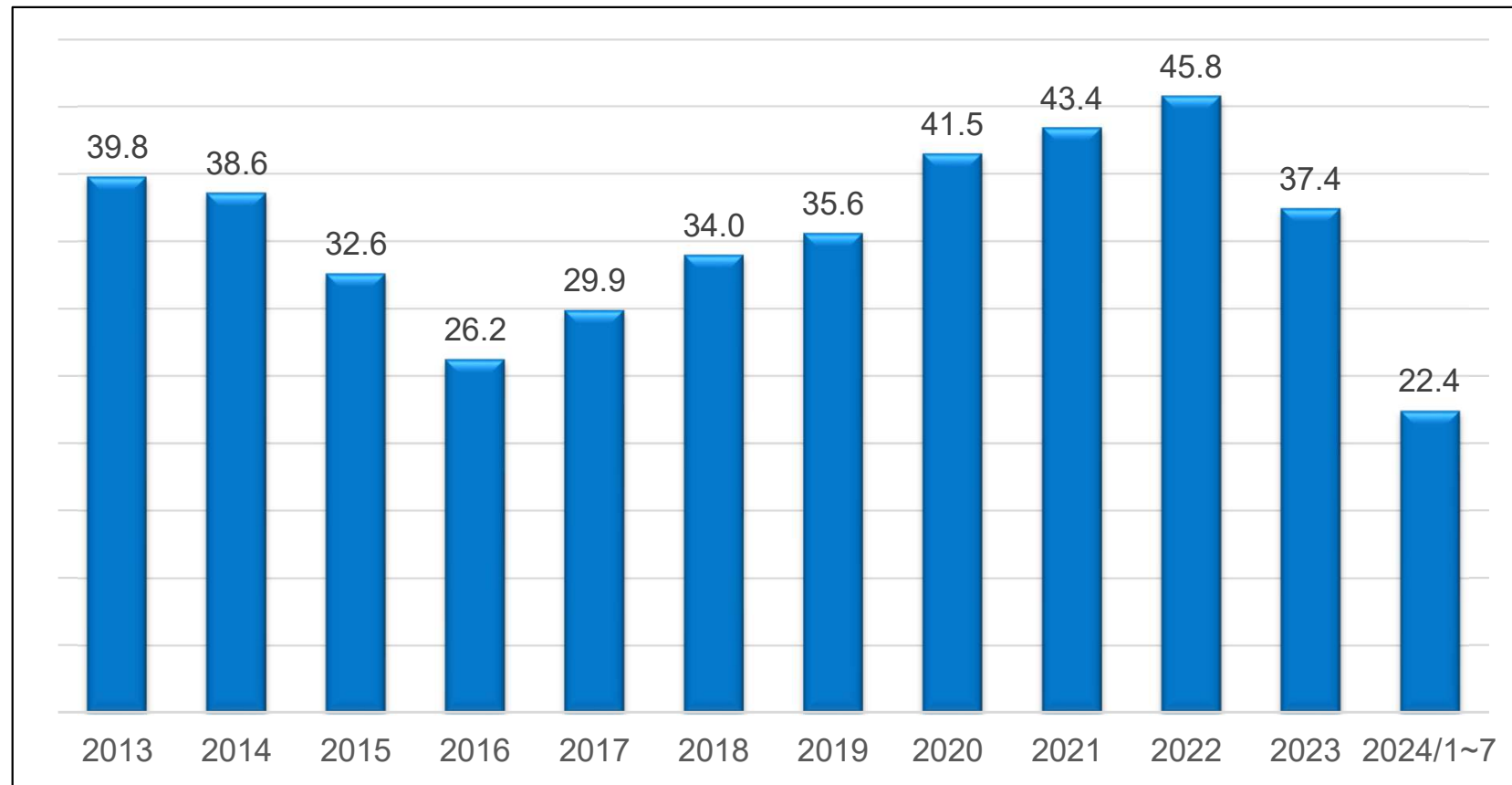
# Tung Ho Steel' annual rebar production

10K metric tons



# Improvement of Taoyuan Works' capabilities and efficiency

Floor area of building permit(Million m<sup>2</sup>)



5.79 6.06 5.65 4.77 4.71 5.23 5.49 5.96 6.06 6.22 6.56

Taiwan Annual Steel Demand (Million tons)

Data Source: National Land Management Agency & TSIIA



# 台灣鋼鐵工業同業公會

TAIWAN STEEL & IRON INDUSTRIES ASSOCIATION

主要普通鋼重複鋼材表面消費量統計年報表

統計至 2023 年 12 月

2022 2023

單位：公噸

鋼品別		生產量		進口量		出口量		表面消費量		自給率 (%)	表面消費量
		去年同期	累計	去年同期	累計	去年同期	累計	去年同期	累計	累計	去年同期比 (%)
棒鋼	直棒	361,942	338,484	28,528	21,107	35,672	28,924	354,798	330,667	102.36	93.20
	鋼筋	6,268,002	6,577,464	637	2,242	53,149	17,797	6,215,490	6,561,909	100.24	105.57
	盤元	2,458,784	1,786,398	228,078	220,207	147,804	111,432	2,539,058	1,895,173	94.26	74.64
	其它	0	0	3,727	5,766	5,873	3,749	(2,146)	2,017	0.00	(93.99)
	小計	9,088,728	8,702,346	260,970	249,322	242,498	161,902	9,107,200	8,789,766	99.01	96.51

2023 2024

主要普通鋼重複鋼材表面消費量統計年報表

統計至 2024 年 6 月

單位：公噸

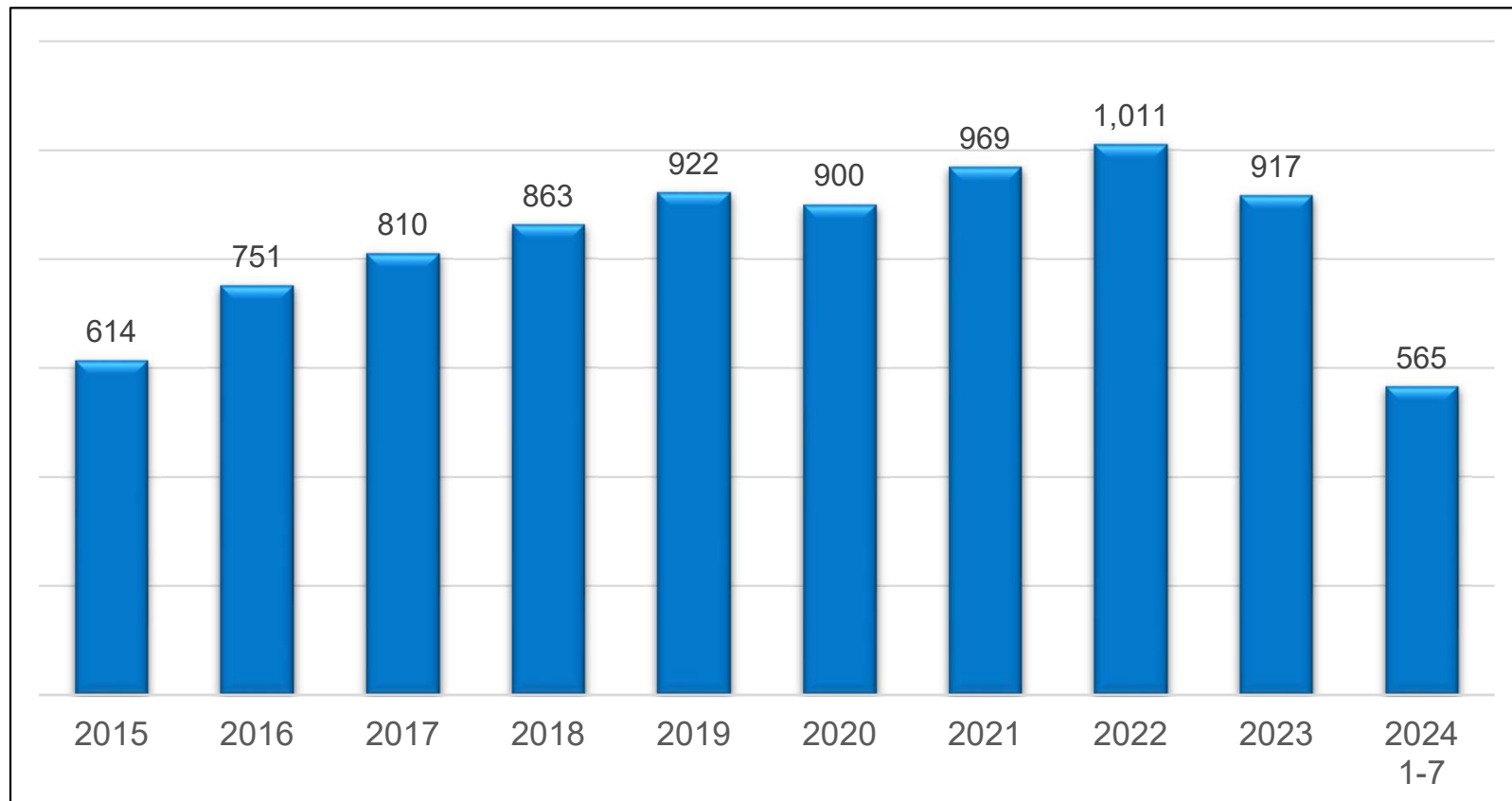
鋼品別		生產量		進口量		出口量		表面消費量		自給率 (%)	表面消費量
		去年同期	累計	去年同期	累計	去年同期	累計	去年同期	累計	累計	去年同期比 (%)
棒鋼	直棒	168,998	166,468	8,834	23,065	16,041	13,767	161,791	175,766	94.71	108.64
	鋼筋	3,323,380	3,366,773	564	2,171	15,597	11,316	3,308,347	3,357,628	100.27	101.49
	盤元	916,593	1,004,045	109,252	154,510	58,916	42,420	966,929	1,116,135	89.96	115.43
	其它	0	0	2,881	2,104	2,072	2,546	809	(442)	0.00	(54.64)
	小計	4,408,971	4,537,286	121,531	181,850	92,626	70,049	4,437,876	4,649,087	97.60	104.76



# THSVC new rolling mill put into production

## Annual Demand of long steel products in Vietnam domestic market

10K metric tons



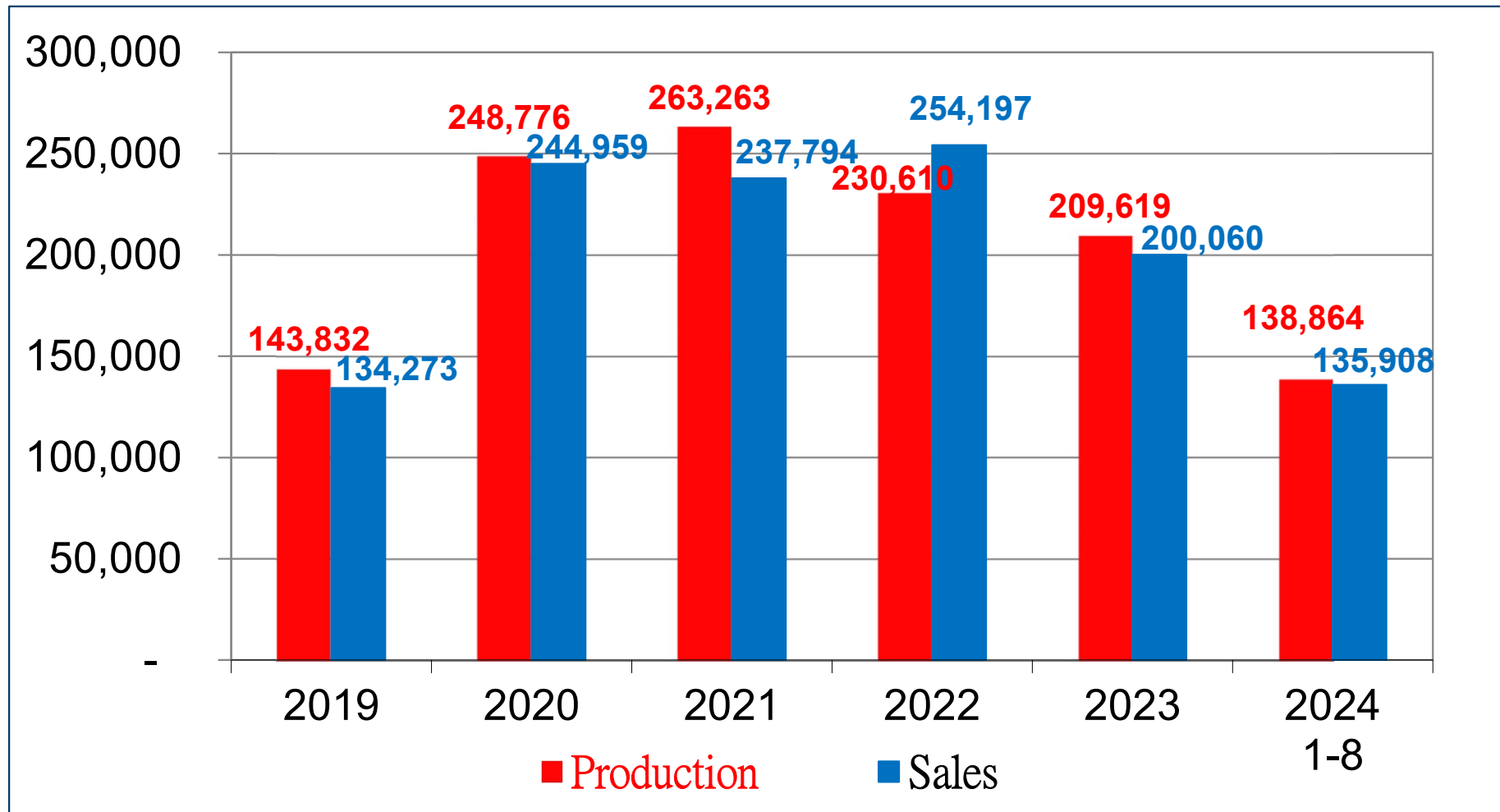
2015~2020 Annual demand for construction steel-Members

2021~2023 Annual demand for construction steel- Members & Non-Members

Data Source: VSA

# THSVC new rolling mill put into production

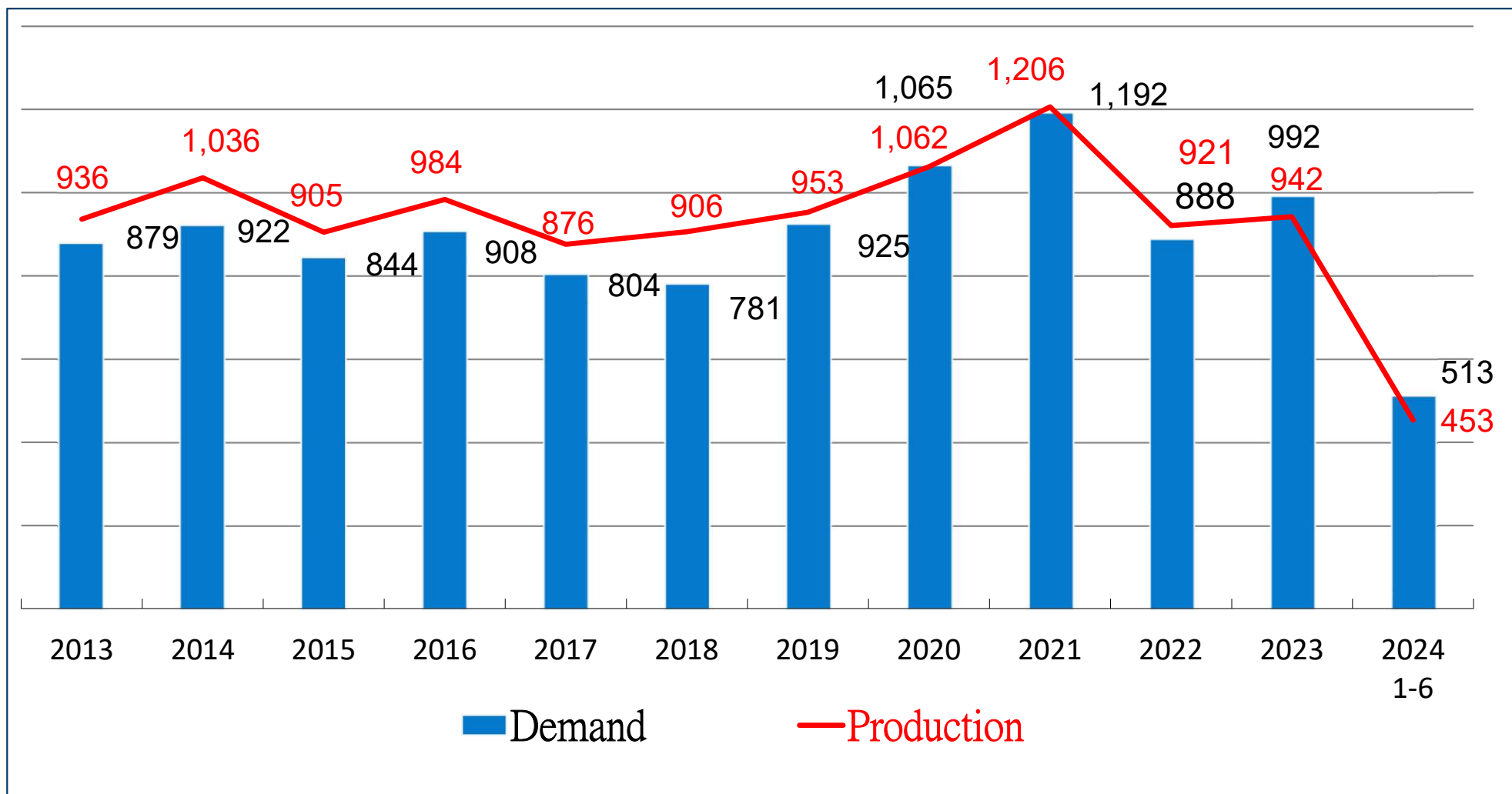
THSVC 、 mt



- 2021/5 Highest Production 45,161mt
- 2020/12 Highest Sales 40,530 mt

# Domestic H-beam demand and production

TSIIA、000mt





# 台灣鋼鐵工業同業公會

TAIWAN STEEL & IRON INDUSTRIES ASSOCIATION

主要普通鋼重複鋼材表面消費量統計年報表

統計至 2023 年 12 月

2022 2023

單位：公噸

鋼品別		生產量		進口量		出口量		表面消費量		自給率 (%)	表面消費量
		去年同期	累計	去年同期	累計	去年同期	累計	去年同期	累計	累計	去年同期比 (%)
型鋼	扁鐵	159,106	154,137	6	8	0	16	159,112	154,129	100.01	96.87
	H 型鋼	921,207	941,638	52,274	93,508	85,430	43,176	888,051	991,970	94.93	111.70
	U 型鋼	142,200	147,321	7,970	9,031	40,050	36,794	110,120	119,558	123.22	108.57
	角鋼	146,760	145,838	42,377	26,768	41,623	39,645	147,514	132,961	109.68	90.13
	其它	1,805	2,747	10,953	7,981	80,959	83,247	(68,201)	(72,519)	(3.79)	106.33
	小計	1,371,078	1,391,681	113,580	137,296	248,062	202,878	1,236,596	1,326,099	104.95	107.24
鋼管	焊接	821,426	621,596	44,248	50,481	388,817	174,762	476,857	497,315	124.99	104.29
	無縫	0	0	84,471	75,055	9,392	7,810	75,079	67,245	0.00	89.57
	小計	821,426	621,596	128,719	125,536	398,209	182,572	551,936	564,560	110.10	102.29
合計		33,098,248	31,975,871	1,966,512	2,261,086	8,440,649	8,052,551	26,624,111	26,184,406	122.12	98.35

主要普通鋼重複鋼材表面消費量統計年報表

統計至 2024 年 6 月

2023 2024

單位：公噸

鋼品別		生產量		進口量		出口量		表面消費量		自給率 (%)	表面消費量
		去年同期	累計	去年同期	累計	去年同期	累計	去年同期	累計	累計	去年同期比 (%)
型鋼	扁鐵	80,642	74,072	8	0	16	0	80,634	74,072	100.00	91.86
	H 型鋼	487,986	452,921	41,227	79,033	24,754	19,445	504,459	512,509	88.37	101.60
	U 型鋼	72,126	81,575	3,088	4,904	17,917	20,963	57,297	65,516	124.51	114.34
	角鋼	70,428	73,584	13,648	9,894	19,615	19,150	64,461	64,328	114.39	99.79
	其它	1,751	1,052	2,507	1,900	46,142	38,281	(41,884)	(35,329)	(2.98)	84.35
	小計	712,933	683,204	60,478	95,731	108,444	97,839	664,967	681,096	100.31	102.43
鋼管	焊接	310,535	362,765	16,889	32,754	99,919	142,320	227,505	253,199	143.27	111.29
	無縫	0	0	38,311	43,350	4,134	3,209	34,177	40,141	0.00	117.45
	小計	310,535	362,765	55,200	76,104	104,053	145,529	261,682	293,340	123.67	112.10
合計		16,155,949	16,234,335	1,059,349	1,567,708	4,045,284	3,902,654	13,170,014	13,899,389	116.80	105.54

# **Corporate Governance Performance**

- **First Domestic Steel Manufacturer Obtaining EPD for All Steel Products**
- **Tung Ho Steel is a member of the World Steel Association's Climate Action program**
- **Publishing voluntary "Task Force on Climate-related Financial Disclosures reports" for four consecutive years. Tung Ho Steel's Task Force on Climate-related Financial Disclosures Report 2024 has been verified by BSI. According to BSI, the maturity model for Climate-related Financial Disclosures is Level 5+: Excellence grade.**
- **Honored with the Gold Award in the Traditional Manufacturing Category in Taiwan Corporate Sustainability Awards (TCSA) Corporate Sustainability Report Award.**
- **2023 "Net Zero Industry Competitiveness" Steel Industry's Highest Honor Excellence Award**
- **4th Taiwan Circular Economy Award "Corporate Award - Outstanding Award"**

# **Corporate Governance Performance**

- **Ranked in the 5% among the listed companies in the 8th TWSE Corporate Governance Evaluation.**
- **Being continuously included as a constituent stock of the " TWSE Corporate Governance 100 Index" for five consecutive years.**
- **The 2023 CDP survey was awarded the "Leadership Level (A-)" in climate change and the "Management Level (B)" in Water Security.**
- **To respond to the global trend and the national net zero emissions target by 2050, the Company incorporated climate change into the material topic for sustainable development and passed the 2030 phased goal of net zero emission.**
  - 1. 30% Carbon Reduction: the total carbon emissions in 2030 is aimed to be reduced by 30% compared with the 2005 level.**
  - 2.RE 30: By 2030, 30% of the total electricity consumption will come from renewable energy.**

# **Corporate Governance Performance**

- Our company's sustainability report has adopted the Sustainable Accounting Standards Board (SASB) indicators for the steel manufacturing industry.
- Sustainable Fitch Assigns Tung Ho Steel Enterprise Corporation an ESG Entity Rating of '2'.



**東和鋼鐵企業股份有限公司**  
TUNG HO STEEL ENTERPRISE CORP.

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