

Ticker Symbol : 2006



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

2024 Investor Conference

Jun 17, 2024

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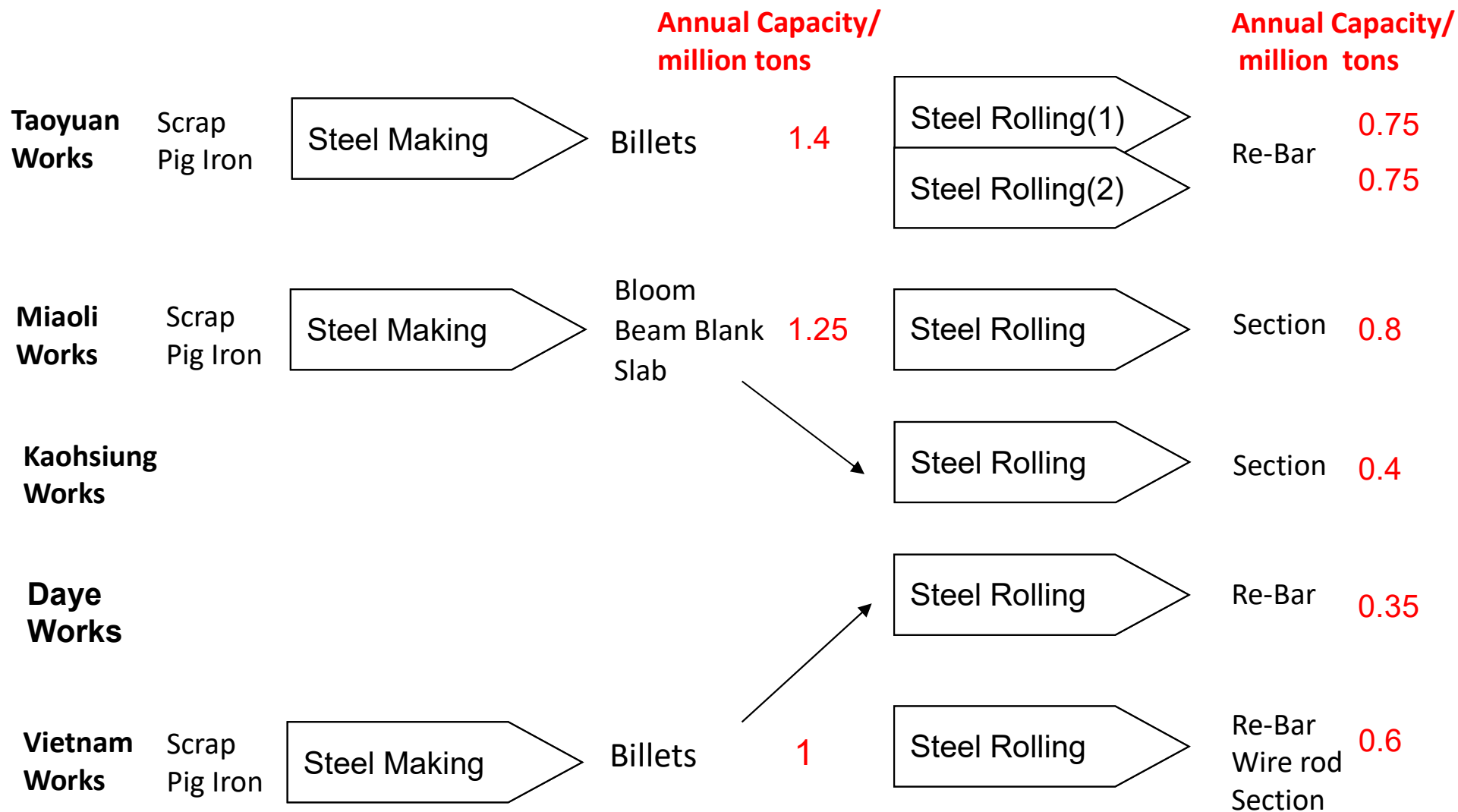
Agenda

- 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 : 2,106**
- **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 three months ended Mar. 31

	2024	2023	%
(Expressed in Millions of New Taiwan Dollars)			
Operating revenue, net	14,846.31	13,411.09	110.70%
Operating costs	(12,812.24)	(11,396.59)	112.42%
Gross profit, net	2,034.07	2,014.50	100.97%
Operating expenses, net	(628.13)	(585.97)	107.19%
Operating profits	1,405.94	1,428.53	98.42%
Non operating income and expenses	(0.19)	(46.95)	0.40%
Income tax expense	(299.05)	(277.02)	107.96%
Income from Continuing Operation	1,106.70	1,104.56	100.19%
Income from Discontinued Department	0.00	33.46	0.00%
Net income	1,106.70	1,138.02	97.25%
attributable to owners of parent	1,098.05	1,134.90	
Non controlling interests	8.65	3.11	
Earnings per share	1.50	1.55	
Gross profit ratio (%)	13.70%	15.02%	
Operating profit ratio (%)	9.47%	10.65%	
Net profit ratio (%)	7.45%	8.49%	

Consolidated Balance Sheets

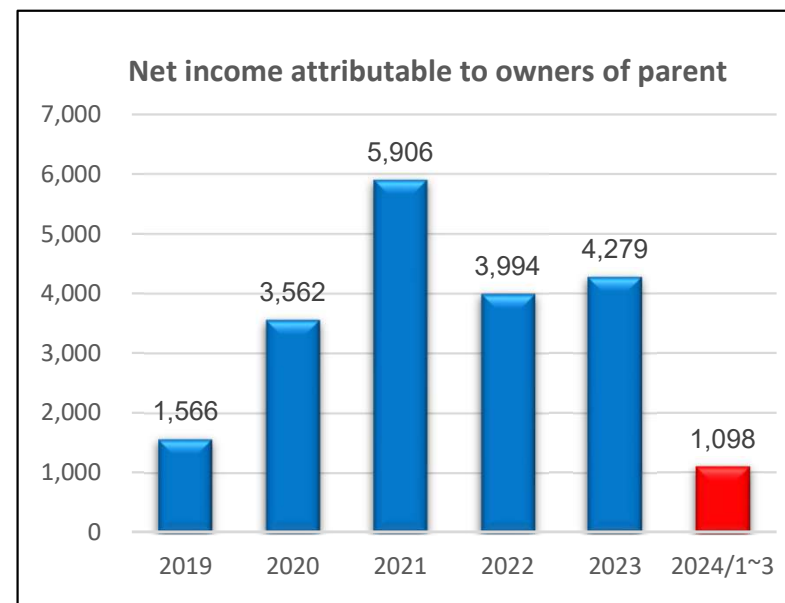
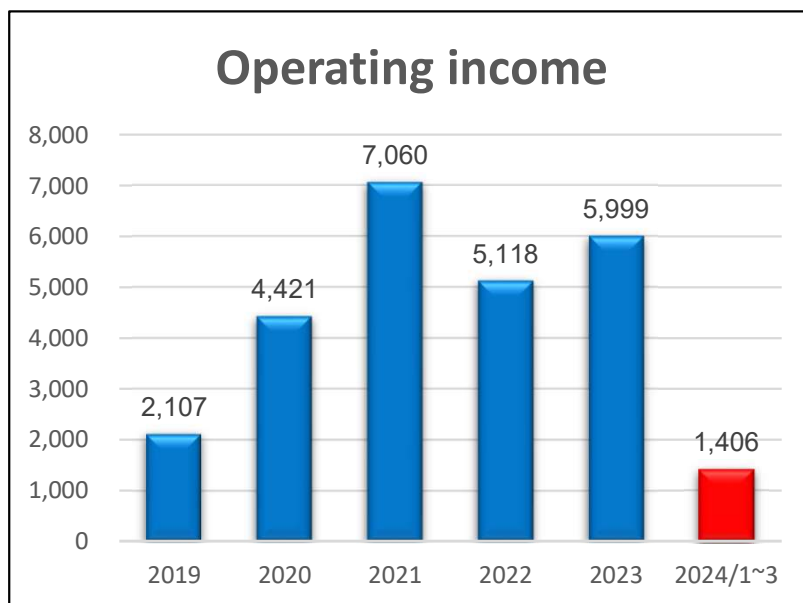
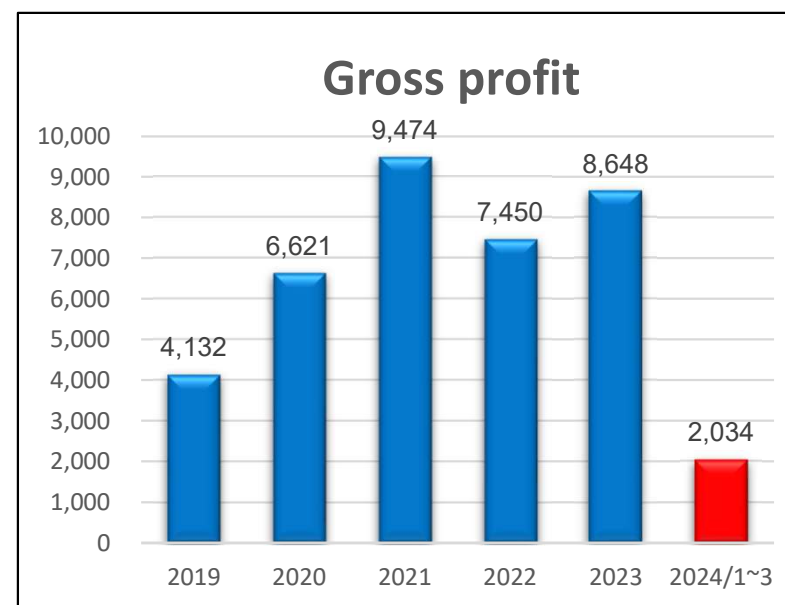
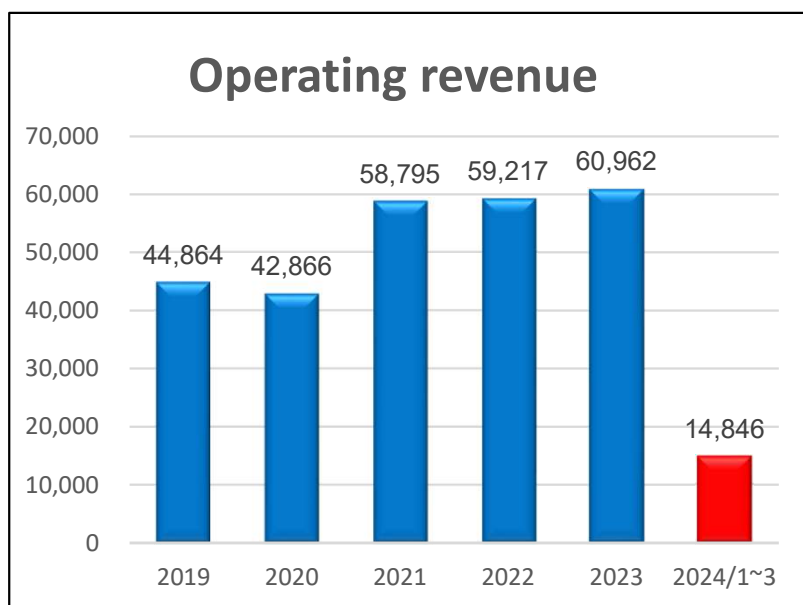
	2024.03.31		2023.12.31		2023.03.31	
(Expressed in Millions of New Taiwan Dollars)	AMT	%	AMT	%	AMT	%
Current assets	32,615.94	58%	32,267.66	57%	30,473.37	55%
Cash and Current financial assets	2,367.88	4%	1,877.29	3%	2,628.02	5%
Receivable,net	8,534.55	15%	9,059.42	16%	7,978.49	14%
Inventory	19,777.52	35%	19,894.02	35%	18,596.38	34%
other current assets	1,935.99	3%	1,436.93	3%	1,270.48	2%
Non current assets	24,061.83	42%	24,111.22	43%	24,729.40	45%
Real properties, plants and devices	19,077.20	35%	19,052.25	34%	19,747.49	36%
other non current assets	4,984.63	9%	5,058.98	9%	4,981.91	9%
Total assets	56,677.76	100%	56,378.88	100%	55,202.77	100%
Current liabilities	25,658.20	45%	23,146.74	41%	25,945.32	47%
Short term loans	13,509.92	24%	13,884.66	25%	13,759.41	25%
other current liabilities	12,148.28	21%	9,262.08	16%	12,185.91	22%
Non-current liabilities	1,718.81	3%	2,070.97	4%	1,680.58	3%
Total liabilities	27,377.01	48%	25,217.70	45%	27,625.89	50%
Total equity	29,300.76	52%	31,161.18	55%	27,576.88	50%
Total liabilities & equity	56,677.76	100%	56,378.88	100%	55,202.77	100%

Consolidated Statements of Cash Flows

(Expressed in Millions of New Taiwan Dollars)	For the three months ended Mar. 31	
	2024	2023
Cash at the beginning of period	1,732.67	2,126.51
Cash flows from operating activities	1,127.63	1,807.48
Cash flows from investing activities	(155.82)	(70.48)
Cash flows from financing activities	(682.94)	(1,434.22)
Effect of exchange rate changes	191.22	9.25
Cash at the end of period	2,212.76	2,438.55
Free Cash flows	971.82	1,737.00
Cash dividends	-	-

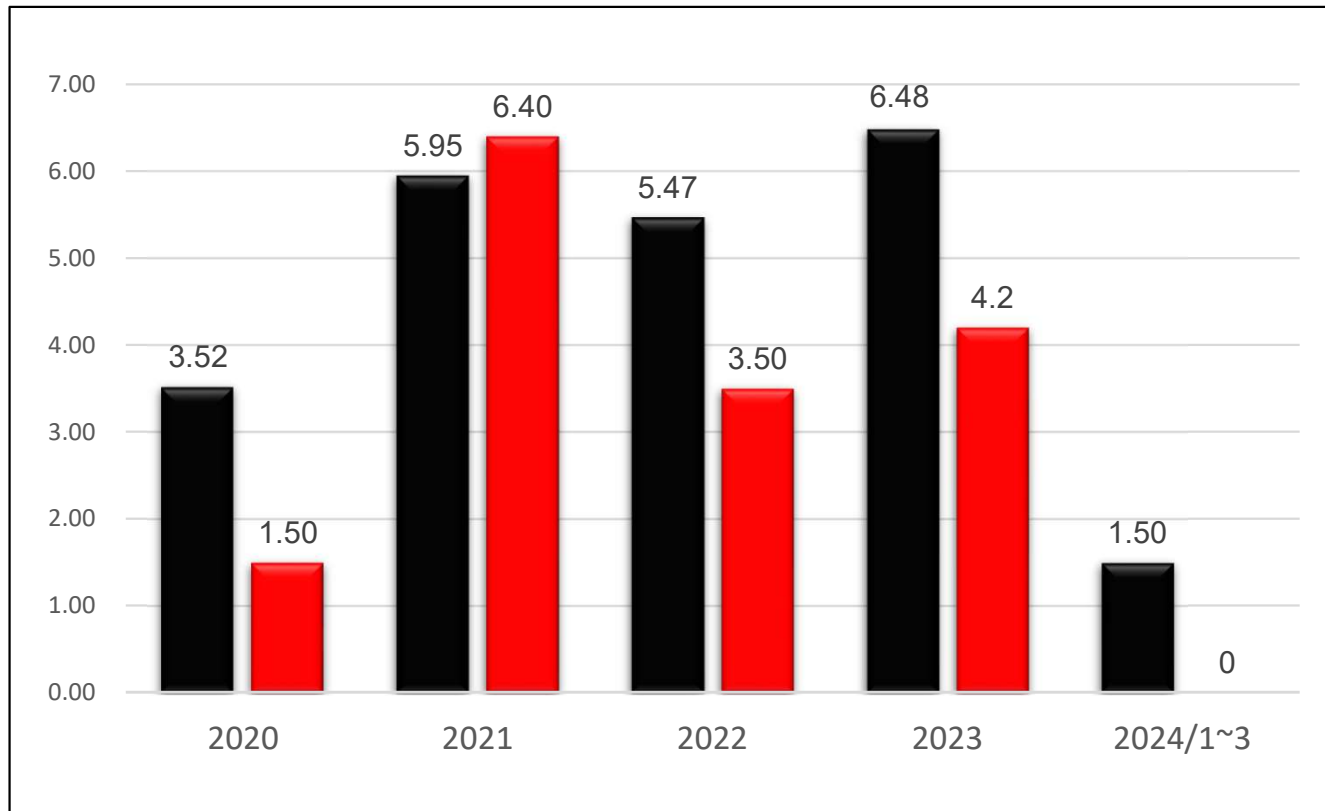
(NT\$Millions)

Historical Operating Results



Historical Dividend

(NT\$)



■ Earnings per share

■ Dividend per share

Agenda

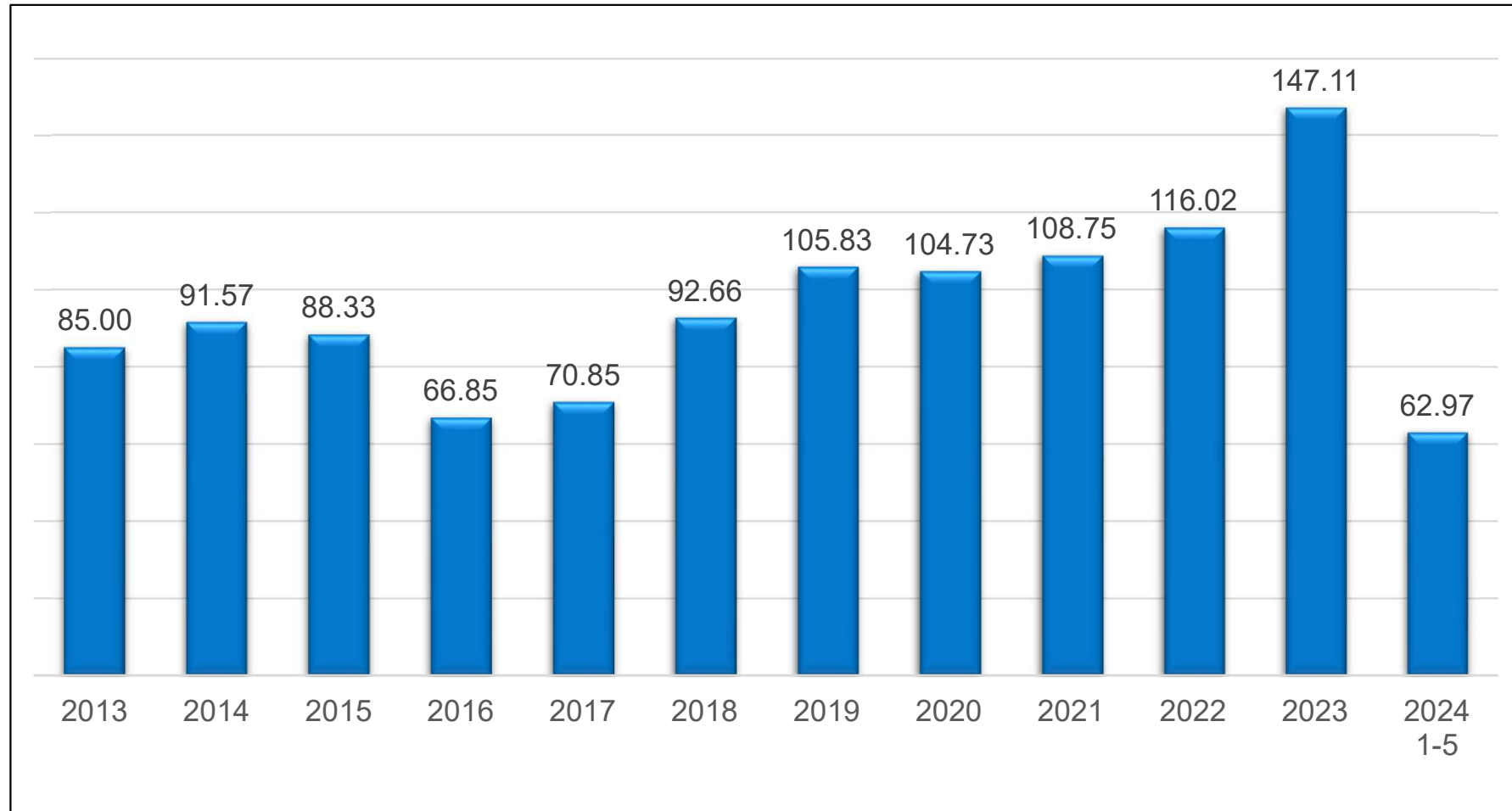
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Key Messages

- 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**

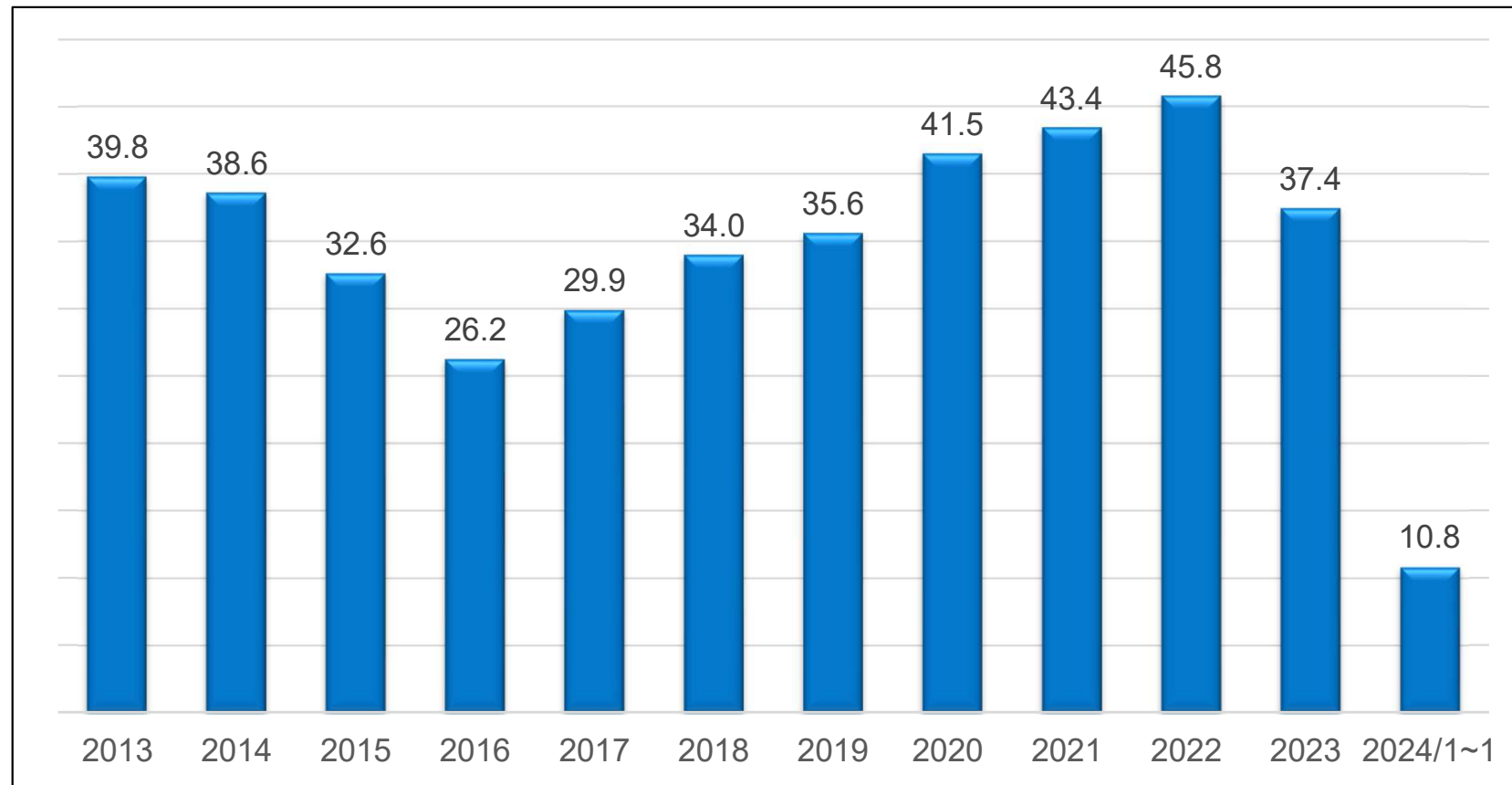
Tung Ho Steel' annual rebar production

10K metric tons



Improvement of Taoyuan Works' capabilities and efficiency

Floor area of building permit(Million m²)



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



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2023 2024

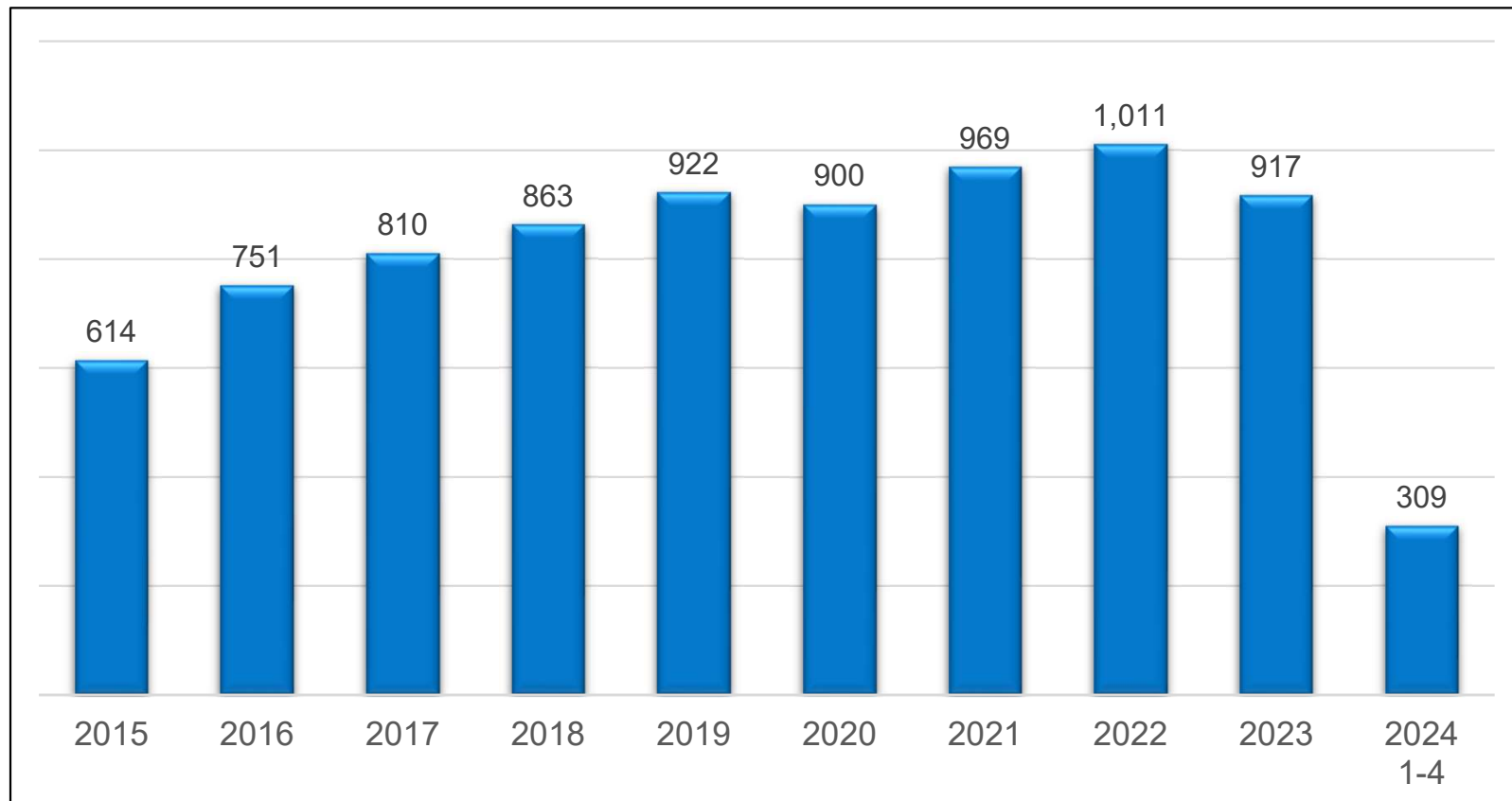
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棒鋼	直棒	89,601	75,126	4,782	12,068	7,753	7,130	86,630	80,064	93.83	92.42
	鋼筋	1,624,907	1,608,291	139	1,272	8,370	4,275	1,616,676	1,605,288	100.19	99.30
	盤元	450,556	491,861	58,988	89,088	33,246	19,168	476,298	561,781	87.55	117.95
	其它	0	0	976	1,653	1,158	1,095	(182)	558	0.00	(306.59)
	小計	2,165,064	2,175,278	64,885	104,081	50,527	31,668	2,179,422	2,247,691	96.78	103.13

THSVC new rolling mill put into production

Annual Demand of long steel products in Vietnam domestic market

10K metric tons



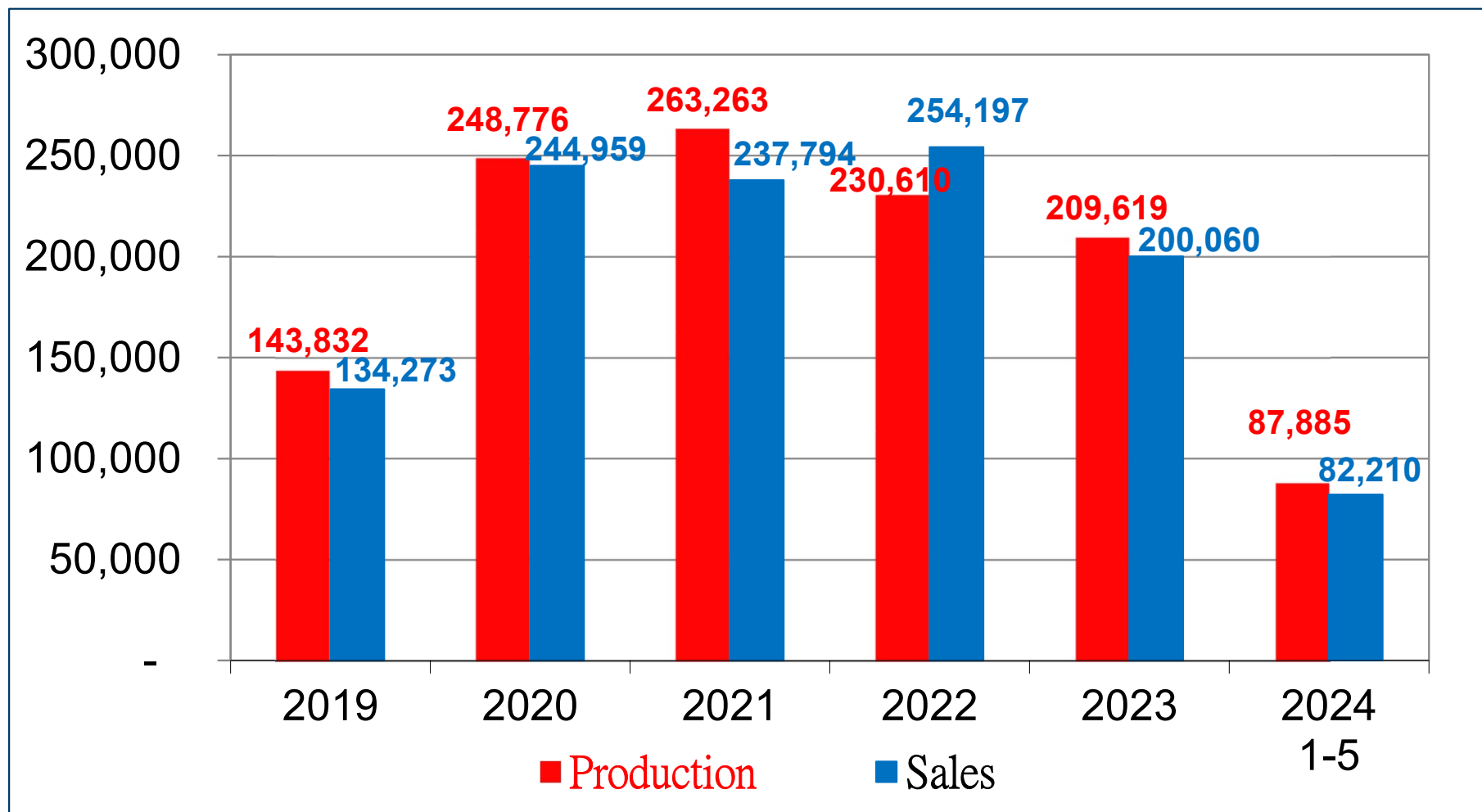
2015~2020 Annual demand for construction steel-Members

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

Data Source: VSA

THSVC new rolling mill put into production

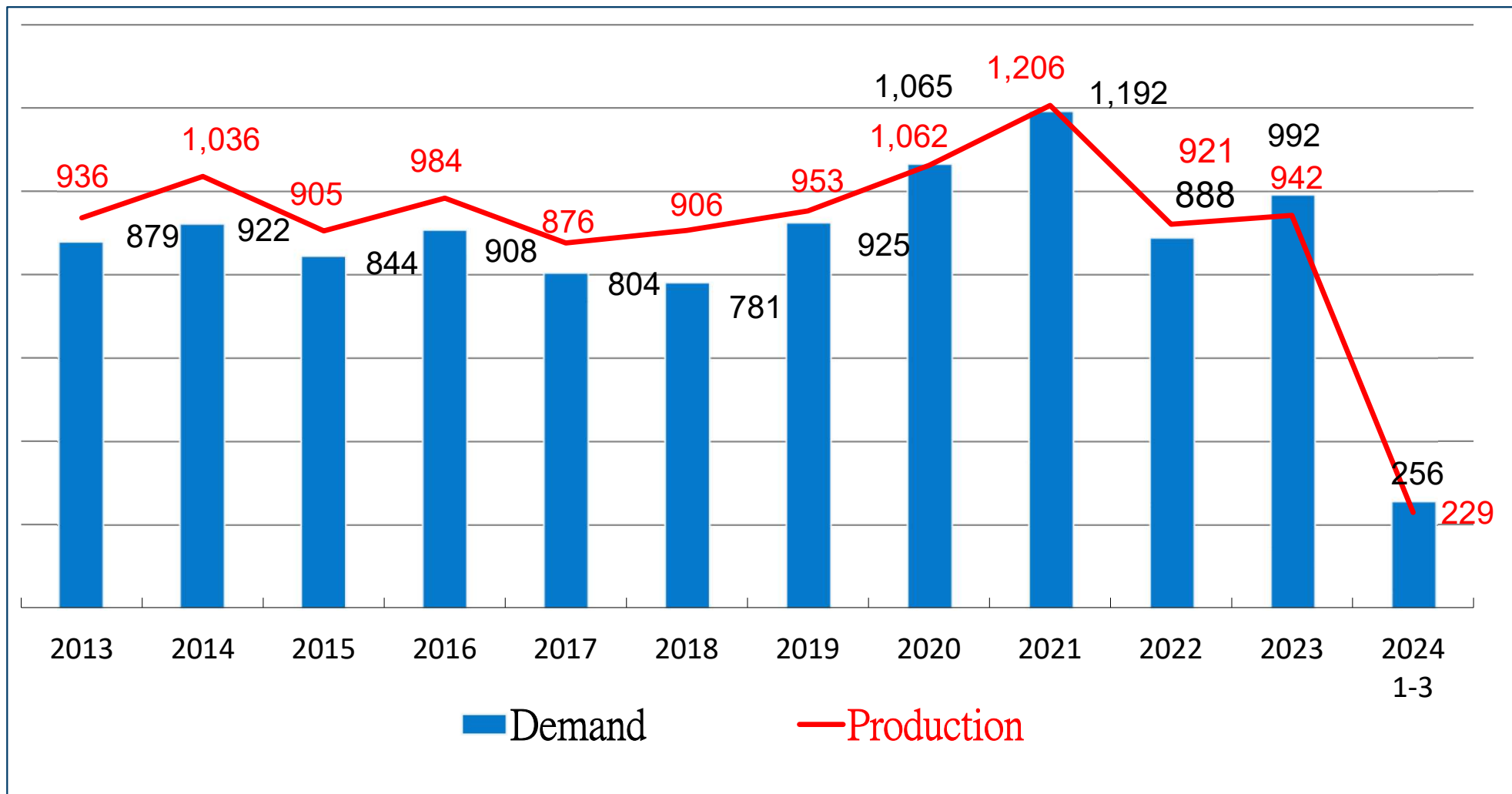
THSVC 、 mt



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

Domestic H-beam demand and production

TSIIA、000mt





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2022 2023

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		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



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		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	41,675	38,334	6	0	16	0	41,665	38,334	100.00	92.01
	H 型鋼	230,559	228,986	10,989	38,815	11,907	11,910	229,641	255,891	89.49	111.43
	U 型鋼	38,674	36,064	1,775	2,585	8,460	14,066	31,989	24,583	146.70	76.85
	角鋼	35,898	35,547	8,636	4,052	8,055	10,588	36,479	29,011	122.53	79.53
	其它	119	57	961	1,059	20,460	24,170	(19,380)	(23,054)	(0.25)	118.96
	小計	346,925	338,988	22,367	46,511	48,898	60,734	320,394	324,765	104.38	101.36
鋼管	焊接	171,837	189,113	7,548	12,310	66,272	81,965	113,113	119,458	158.31	105.61
	無縫	0	0	19,002	21,944	1,927	1,650	17,075	20,294	0.00	118.85
	小計	171,837	189,113	26,550	34,254	68,199	83,615	130,188	139,752	135.32	107.35
合計		8,103,010	8,143,743	483,489	737,880	1,977,509	2,051,780	6,608,990	6,829,843	119.24	103.34

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 three consecutive years. Tung Ho Steel's Task Force on Climate-related Financial Disclosures Report 2023 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'.



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TUNG HO STEEL ENTERPRISE CORP.

www.tunghosteel.com