

Ticker Symbol : 2006



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

2024 Investor Conference

Dec 11, 2024

Disclosure

- 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.
- The information provided in this presentation reflects the Company's views about the future so far as not expressly or implicitly expressed or warranted as to its correctness, completeness, or reliability. The contents of the presentation, if any changes or adjustments occur in the future, the Company is not responsible for updates or amendments.
- For the convenience of readers, this presentation has been translated into English from the original Chinese version. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language presentation shall prevail.

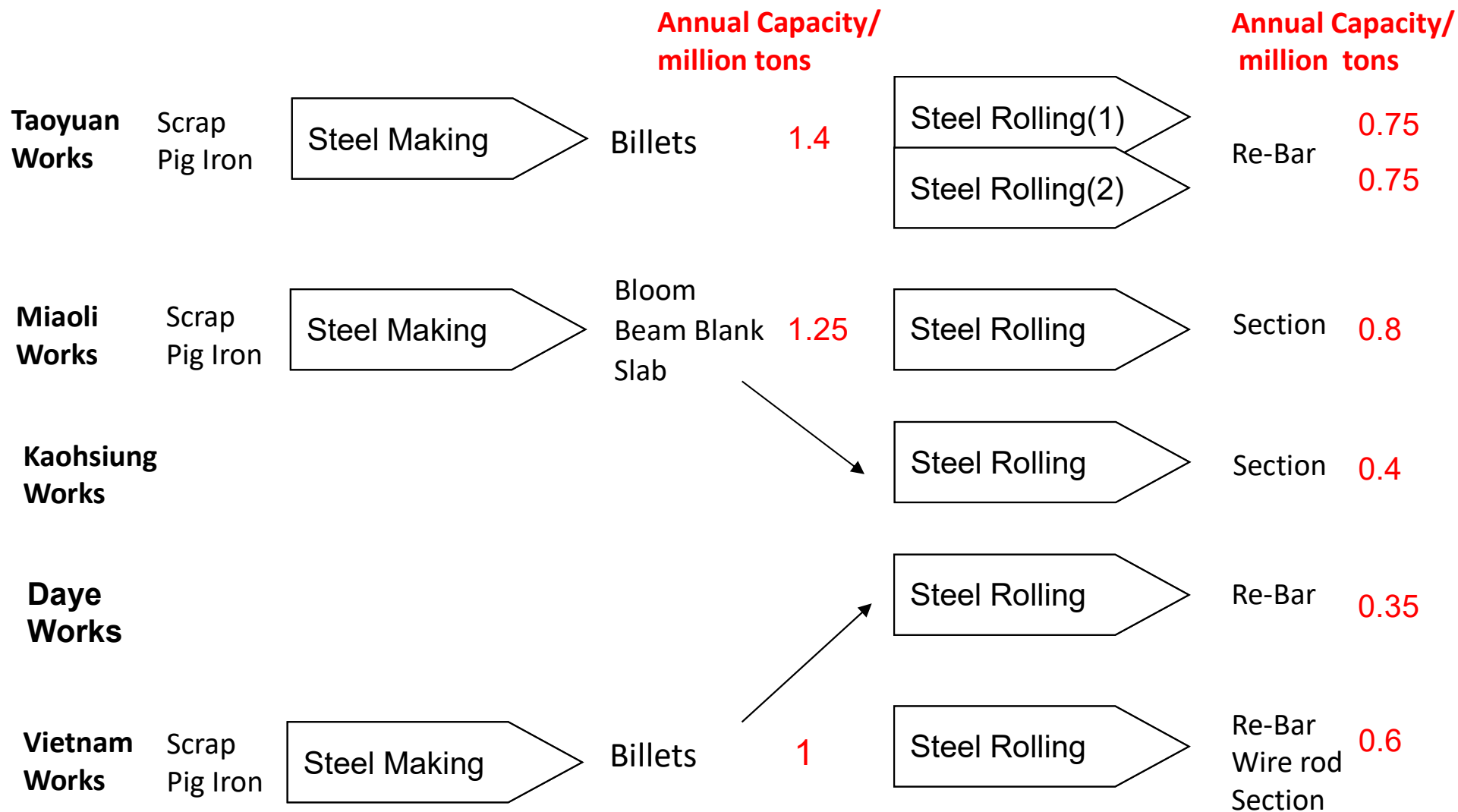
Agenda

- 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 : 2,131**
- **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 nine months ended Sep. 30

	2024	2023	%
(Expressed in Millions of New Taiwan Dollars)			
Operating revenue, net	45,150.61	44,451.77	101.57%
Operating costs	(38,893.57)	(38,277.71)	101.61%
Gross profit, net	6,257.04	6,174.06	101.34%
Operating expenses, net	(1,950.81)	(1,853.42)	105.25%
Operating profits	4,306.23	4,320.64	99.67%
Non operating income and expenses	(25.91)	10.30	-251.53%
Income tax expense	(910.87)	(985.19)	92.46%
Income from Continuing Operation	3,369.45	3,345.75	100.71%
Income from Discontinued Department	0.00	56.71	0.00%
Net income	3,369.45	3,402.47	99.03%
attributable to owners of parent	3,335.86	3,384.93	
Non controlling interests	33.60	17.54	
Earnings per share	4.57	4.64	
Gross profit ratio (%)	13.86%	13.89%	
Operating profit ratio (%)	9.54%	9.72%	
Net profit ratio (%)	7.46%	7.65%	

Consolidated Balance Sheets

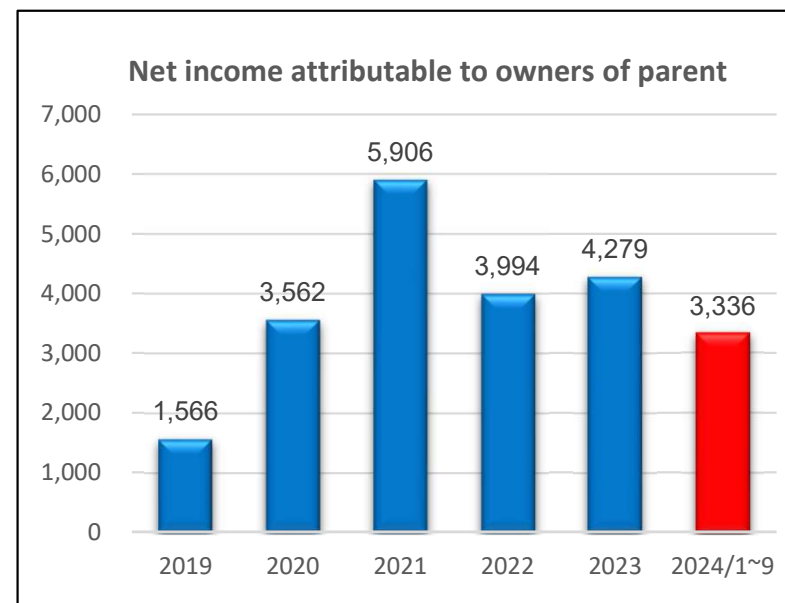
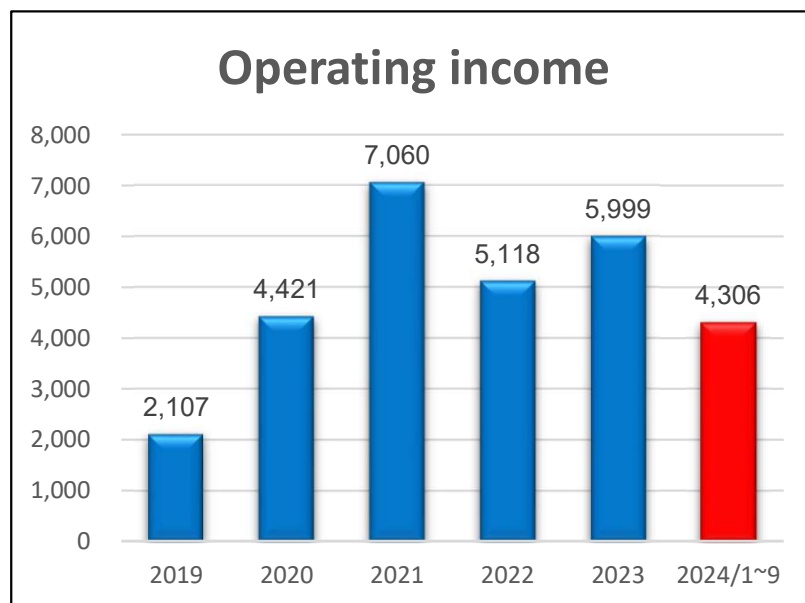
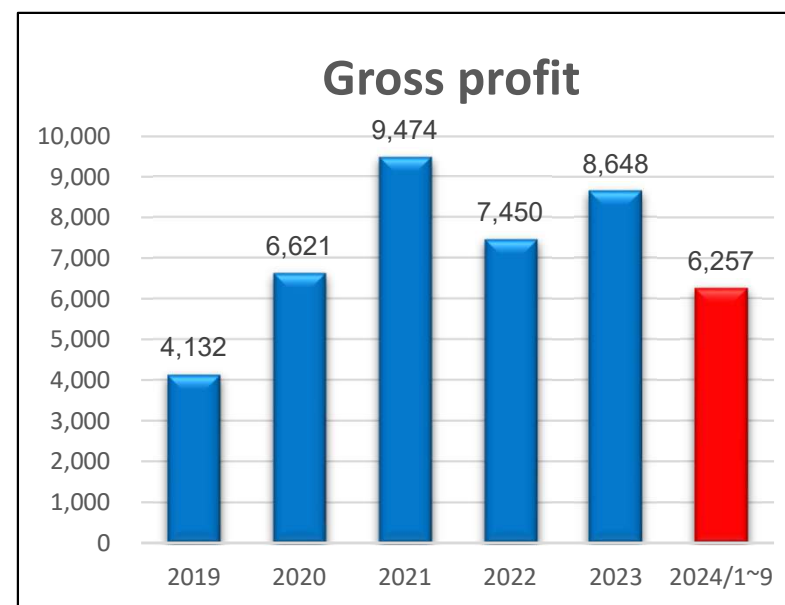
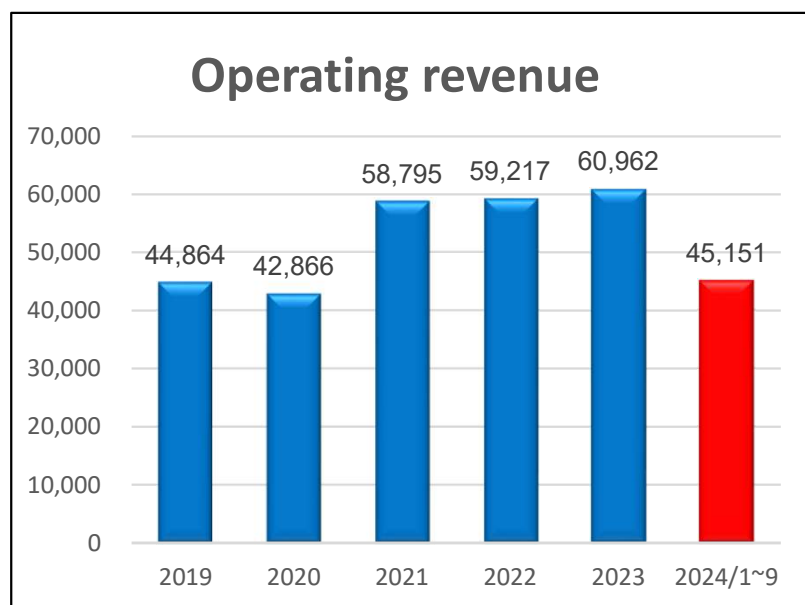
	2024.09.30		2023.12.31		2023.09.30	
(Expressed in Millions of New Taiwan Dollars)	AMT	%	AMT	%	AMT	%
Current assets	31,338.38	57%	32,267.66	57%	32,547.76	57%
Cash and Current financial assets	2,428.94	4%	1,877.29	3%	2,446.57	4%
Receivable,net	8,073.48	15%	9,059.42	16%	8,257.75	15%
Inventory	19,231.81	35%	19,894.02	35%	19,640.86	35%
other current assets	1,604.15	3%	1,436.93	3%	2,202.58	4%
Non current assets	23,952.46	43%	24,111.22	43%	24,375.07	43%
Real properties, plants and devices	18,826.15	35%	19,052.25	34%	19,380.85	34%
other non current assets	5,126.31	9%	5,058.98	9%	4,994.22	9%
Total assets	55,290.83	100%	56,378.88	100%	56,922.83	100%
Current liabilities	20,443.53	37%	23,146.74	41%	24,943.32	44%
Short term loans	11,371.24	21%	13,884.66	25%	15,221.10	27%
other current liabilities	9,072.30	16%	9,262.08	16%	9,722.22	17%
Non-current liabilities	3,255.19	6%	2,070.97	4%	2,083.95	4%
Total liabilities	23,698.72	43%	25,217.70	45%	27,027.27	47%
Total equity	31,592.11	57%	31,161.18	55%	29,895.56	53%
Total liabilities & equity	55,290.83	100%	56,378.88	100%	56,922.83	100%

Consolidated Statements of Cash Flows

(Expressed in Millions of New Taiwan Dollars)	For the six months ended Sep. 30	
	2024	2023
Cash at the beginning of period	1,732.67	2,126.51
Cash flows from operating activities	5,771.46	3,507.77
Cash flows from investing activities	(749.73)	(497.32)
Cash flows from financing activities	(4,615.29)	(3,007.76)
Effect of exchange rate changes	170.31	198.19
Cash at the end of period	2,309.41	2,327.40
Free Cash flows	5,021.73	3,010.45
Cash dividends	3,066.90	2,555.75

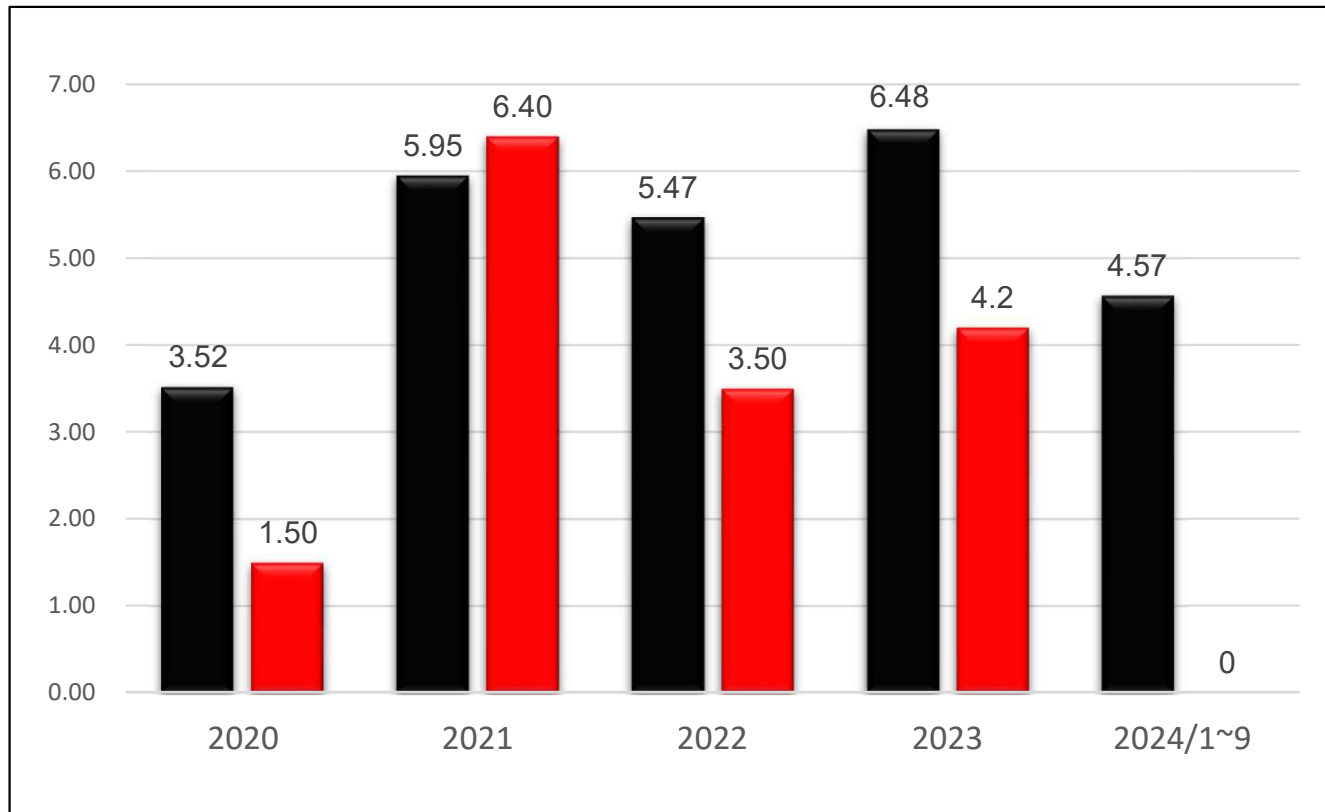
(NT\$Millions)

Historical Operating Results



Historical Dividend

(NT\$)



■ Earnings per share

■ Dividend per share

Agenda

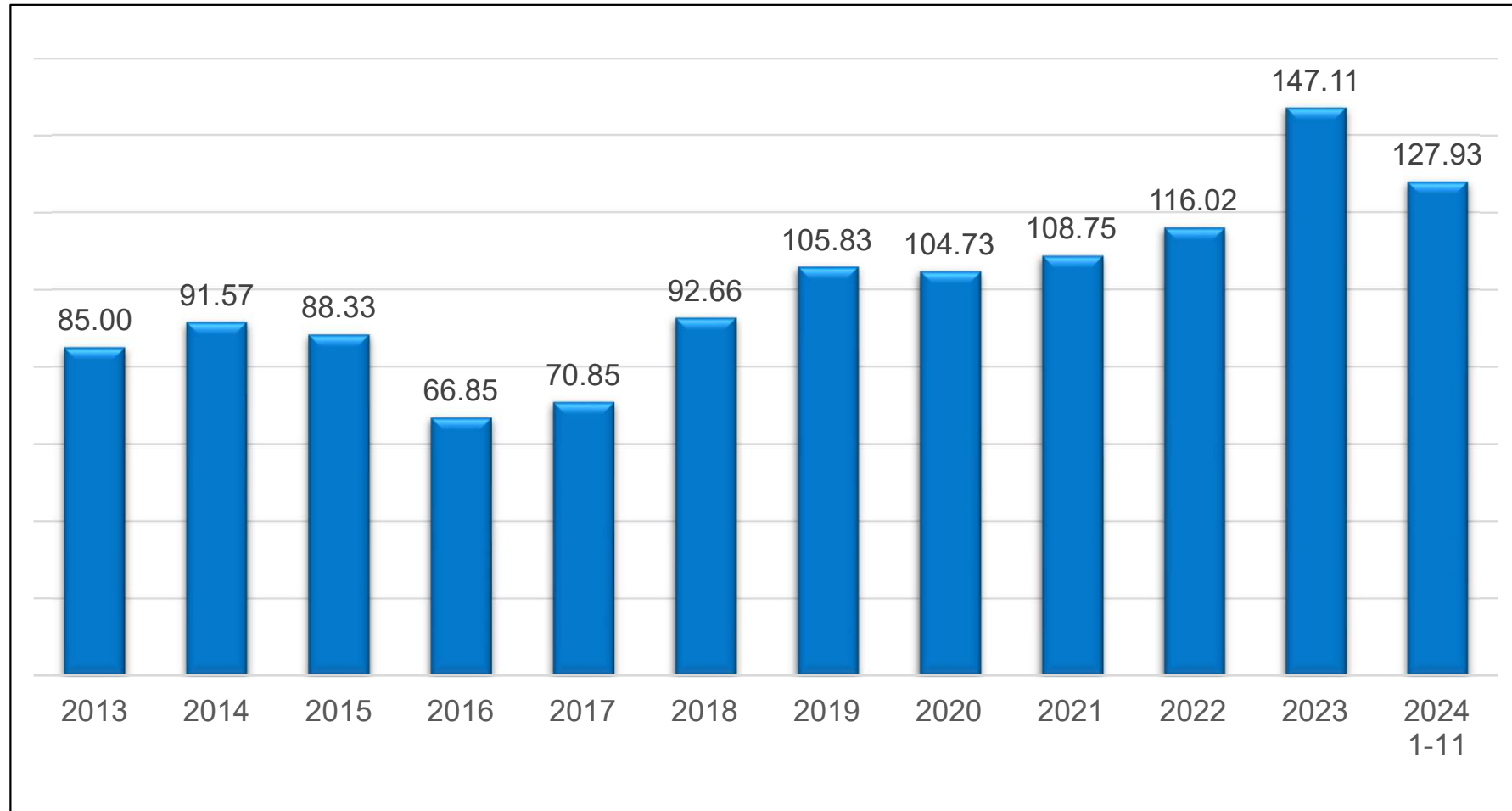
1. Corporate Profile
2. Financial Performance
3. Key Messages
4. Q&A

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**

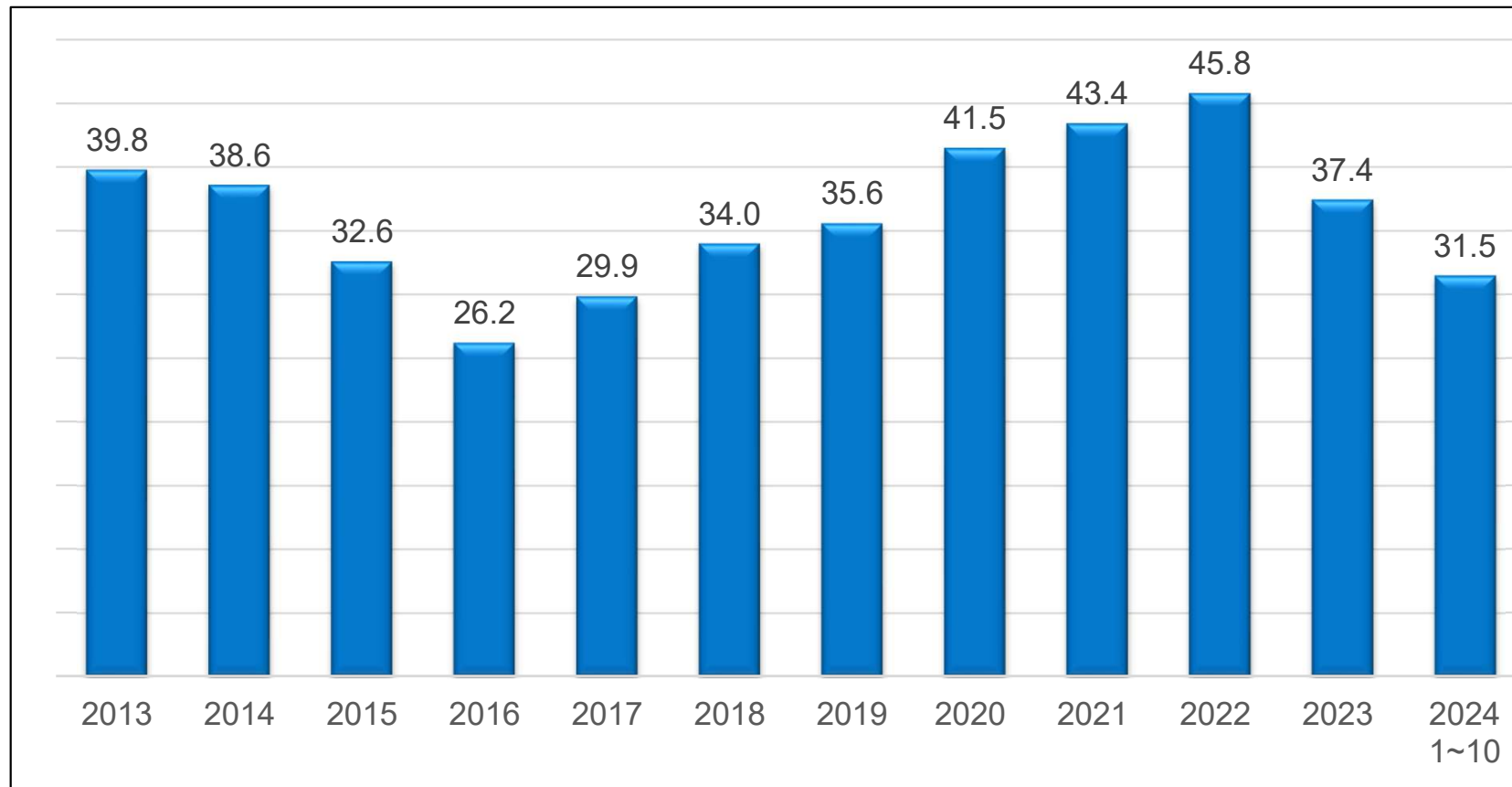
Tung Ho Steel' annual rebar production

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



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		生産量		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 9 月

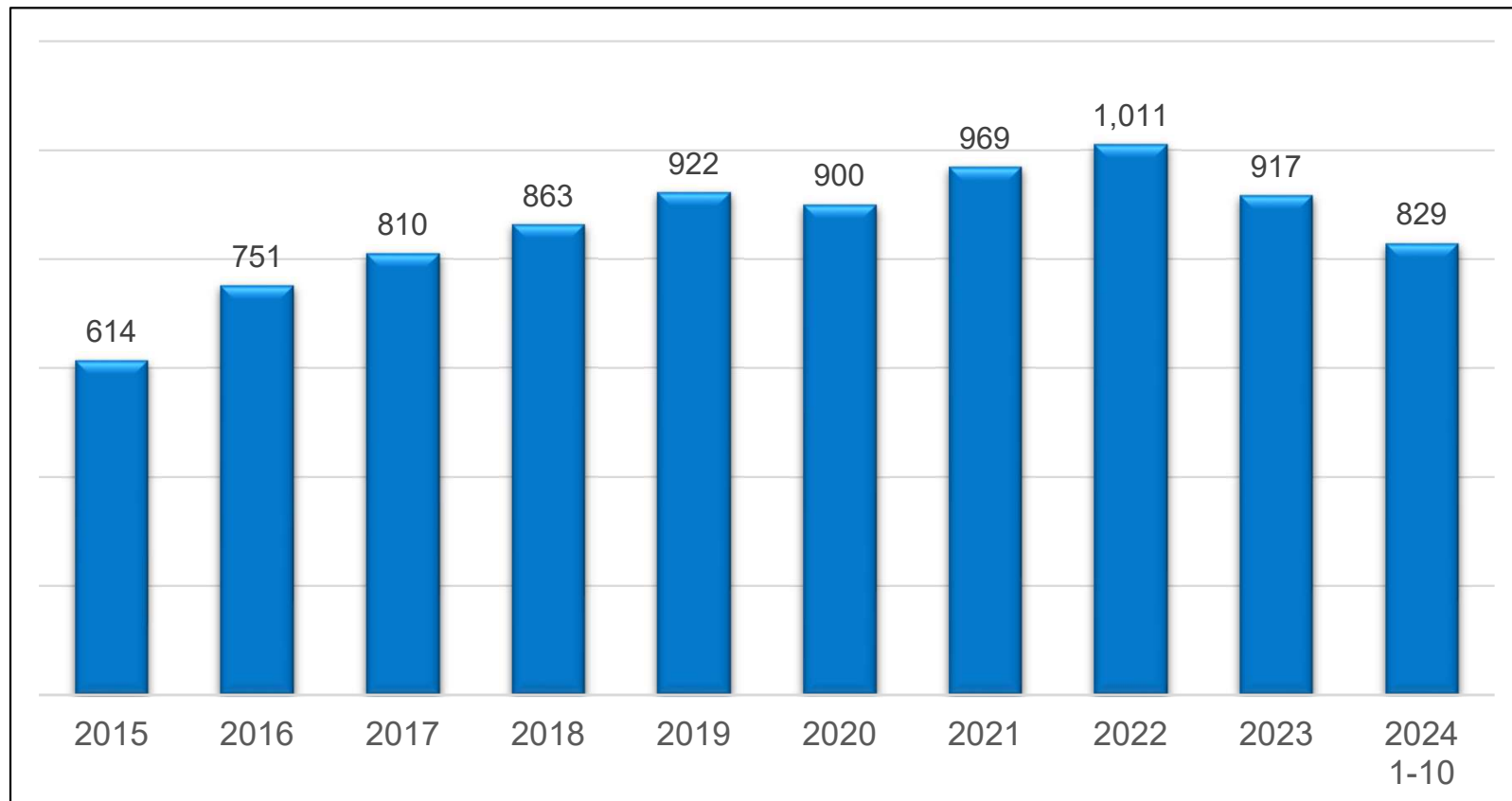
單位：公噸

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	251,612	244,953	15,225	33,213	22,867	19,479	243,970	258,687	94.69	106.03
	鋼筋	4,898,955	4,897,684	1,267	2,553	17,243	14,456	4,882,979	4,885,781	100.24	100.06
	盤元	1,313,933	1,504,346	152,834	227,628	86,454	62,864	1,380,313	1,669,110	90.13	120.92
	其它	0	0	4,149	3,912	2,951	3,337	1,198	575	0.00	48.00
	小計	6,464,500	6,646,983	173,475	267,306	129,515	100,136	6,508,460	6,814,153	97.55	104.70

THSVC new rolling mill put into production

Annual Demand of long steel products in Vietnam domestic market

10K metric tons



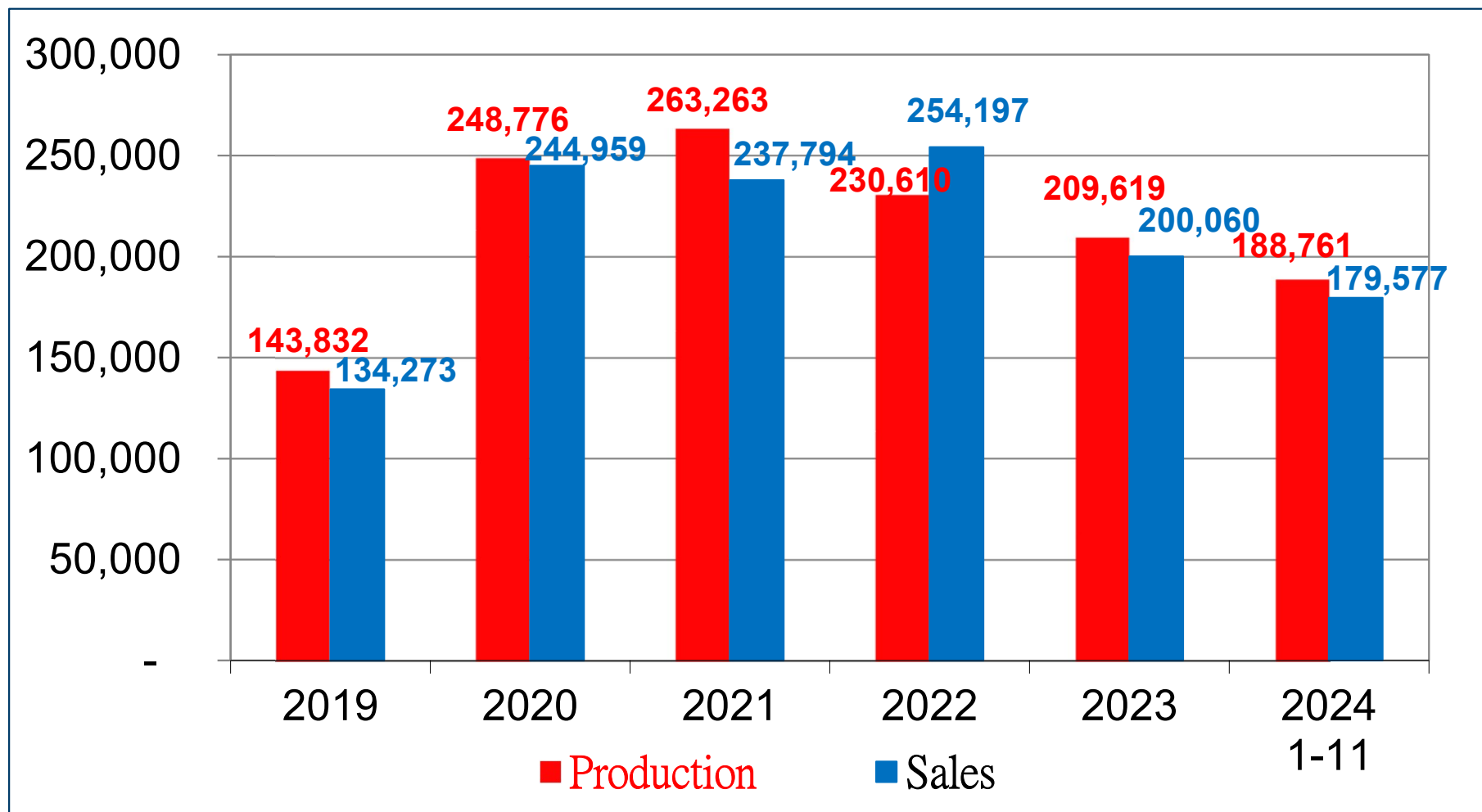
2015~2020 Annual demand for construction steel-Members

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

Data Source: VSA

THSVC new rolling mill put into production

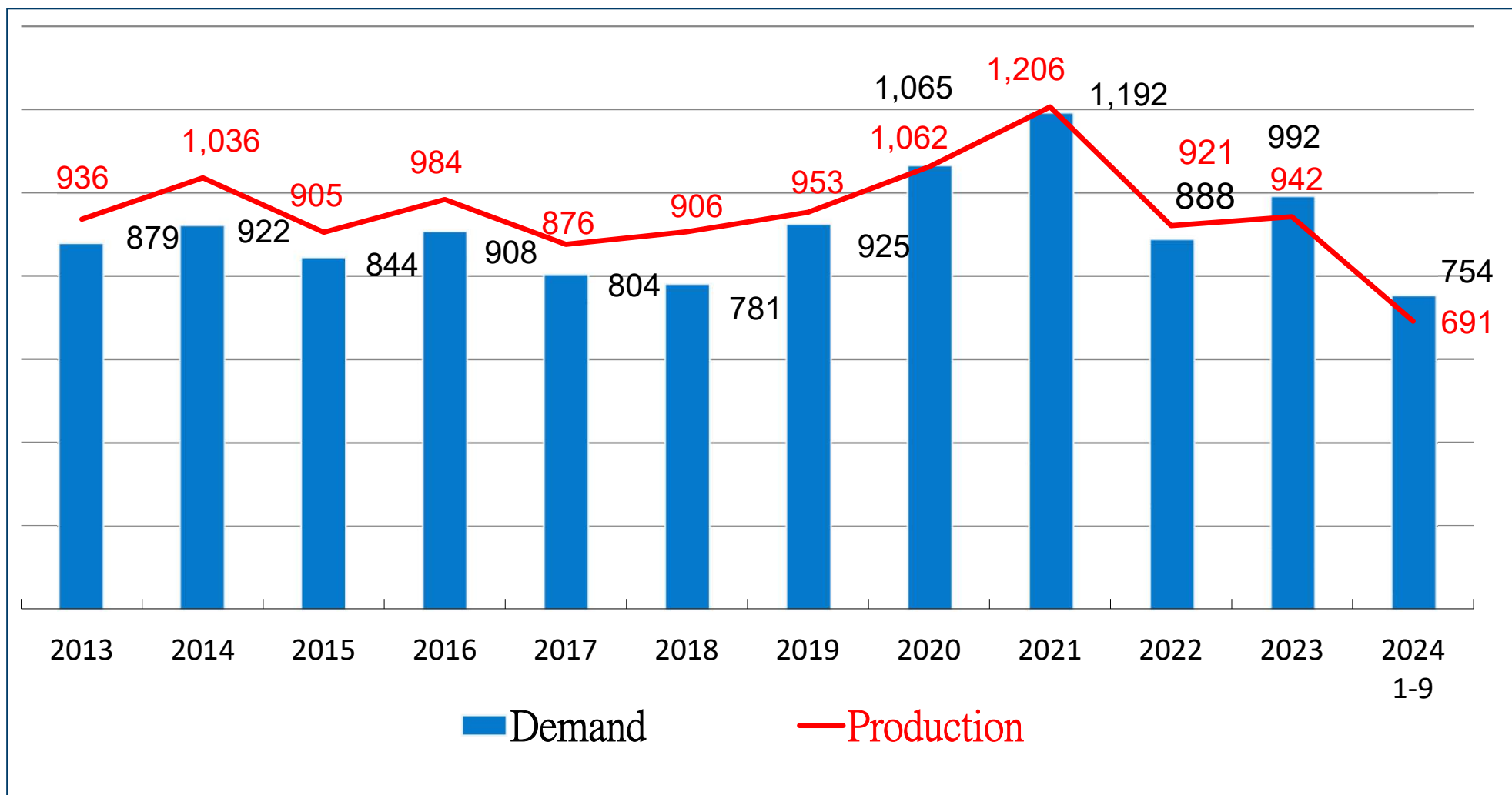
THSVC、mt



- 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

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 9 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 (%)
型鋼	扁鐵	117,318	111,282	8	0	16	3	117,318	111,279	100.00	94.86
	H 型鋼	709,207	691,077	73,511	97,309	36,551	34,605	746,167	753,781	91.68	101.02
	U 型鋼	111,186	117,628	6,252	8,376	27,419	39,869	90,019	86,135	136.56	95.69
	角鋼	108,950	105,786	20,690	18,458	29,074	28,596	100,566	95,648	110.60	95.11
	其它	1,817	1,125	4,945	2,723	65,271	58,317	(58,509)	(54,469)	(2.07)	93.10
	小計	1,048,478	1,026,898	105,406	126,866	158,331	161,390	995,553	992,374	103.48	99.68
鋼管	焊接	458,102	536,851	33,833	47,123	123,501	190,562	368,434	393,412	136.46	106.78
	無縫	0	0	55,616	66,708	6,251	5,410	49,365	61,298	0.00	124.17
	小計	458,102	536,851	89,449	113,831	129,752	195,972	417,799	454,710	118.06	108.83
合計		24,097,118	23,534,713	1,630,954	2,422,350	6,208,228	5,476,695	19,519,844	20,480,368	114.91	104.92

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、2024 "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'.**
- **Awarded the "2024 Top 100 Foreign-Invested Companies in Taiwan"**
- **Ranked first in the "2024 Carbon Competitiveness Top 100," leading the steel industry in carbon competitiveness**
- **TUNG KANG STEEL STRUCTURE CORP. received the "2024 TSMC Excellent Supplier Award for Outstanding Performance"**



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

www.tunghosteel.com