

Ticker Symbol : 2006



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

2021 Investor Conference

Dec 15,2021

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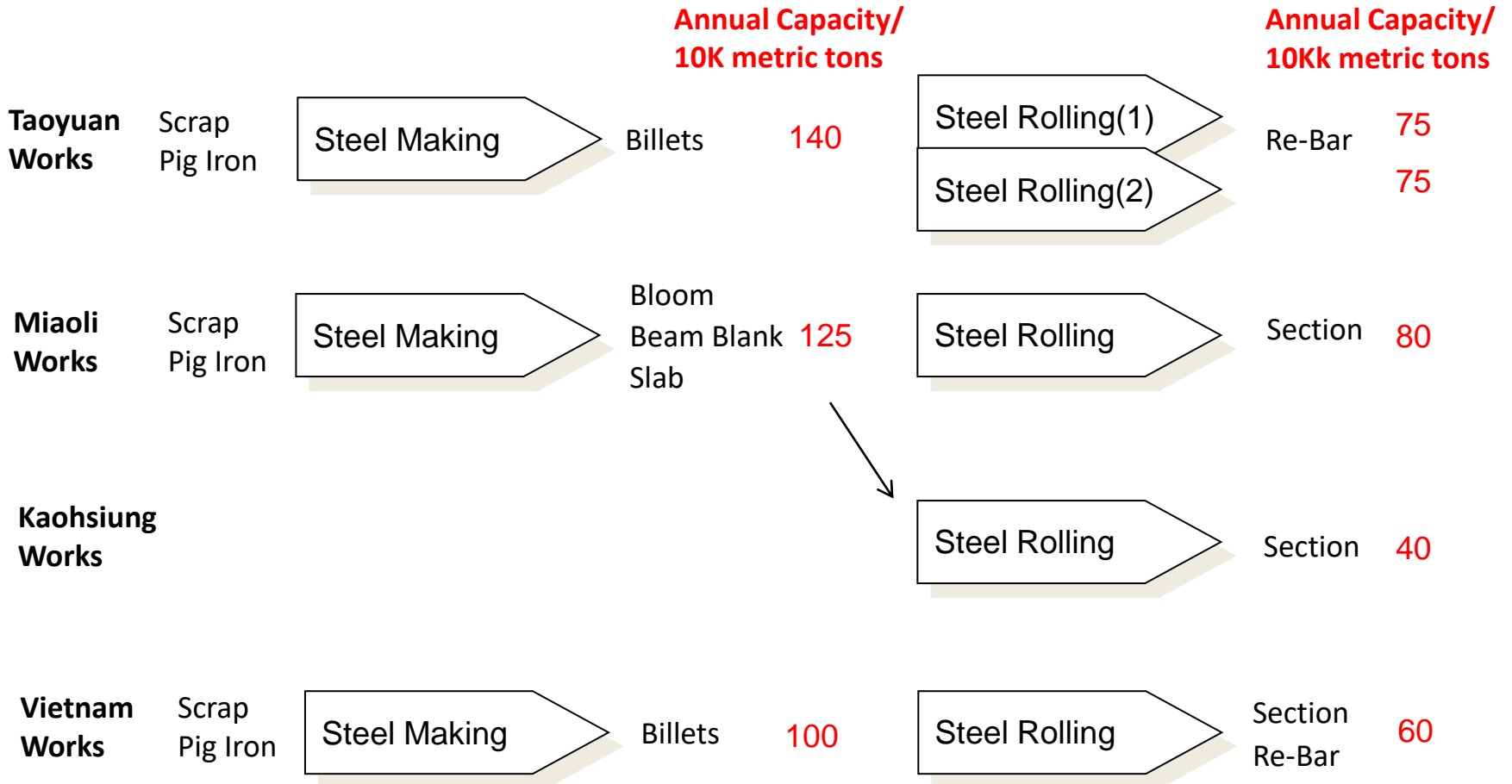
Agenda

- 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 : 1,779**
- **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



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Consolidated Statements of Comprehensive Income

	For the nine months ended Sep. 30		
	2021	2020	%
(Expressed in Millions of New Taiwan Dollars)			
Operating revenue, net	42,267.63	30,115.58	140.35%
Operating costs	(35,255.83)	(25,824.29)	136.52%
Gross profit, net	7,011.80	4,291.29	163.40%
Operating expenses, net	(1,776.28)	(1,515.10)	117.24%
Operating profits	5,235.52	2,776.19	188.59%
Non operating income and expenses	269.39	(76.35)	452.84%
Income tax expense	(1,111.03)	(730.98)	151.99%
Net income	4,393.88	1,968.86	223.17%
attributable to owners of parent	4,383.71	1,982.69	
Non controlling interests	10.17	(13.83)	
Earnings per share	4.06	1.97	
Gross profit ratio (%)	16.59%	14.25%	
Operating profit ratio (%)	12.39%	9.22%	
Net profit ratio (%)	10.40%	6.54%	

Consolidated Balance Sheets

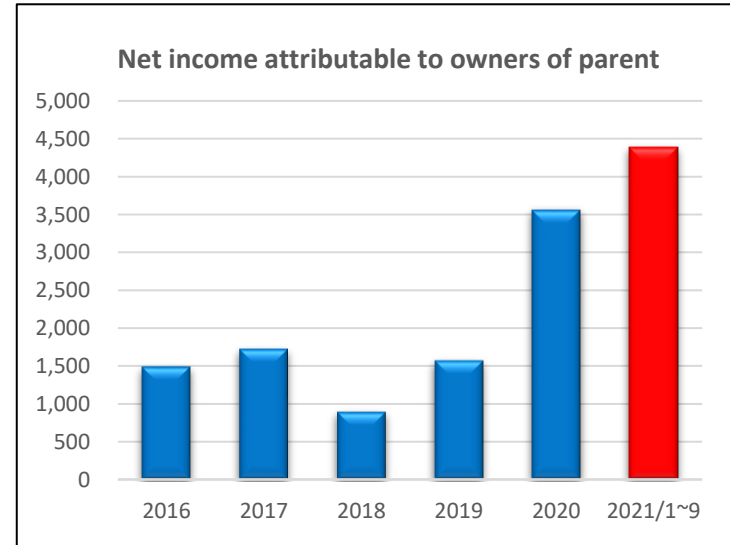
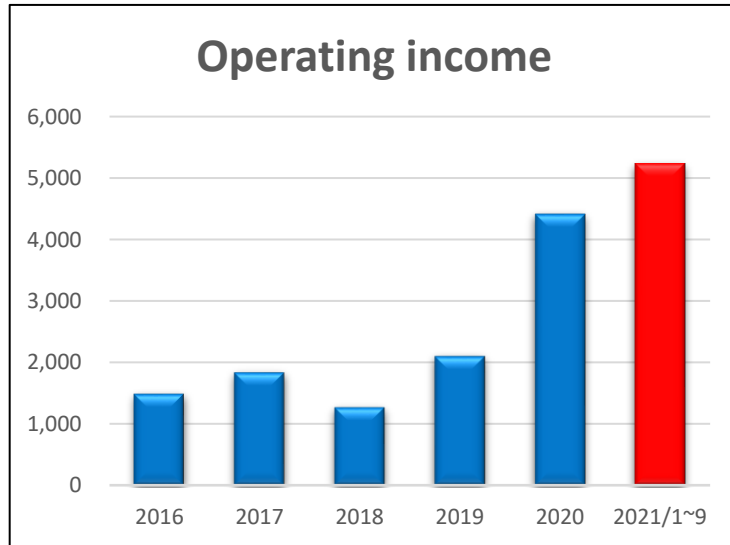
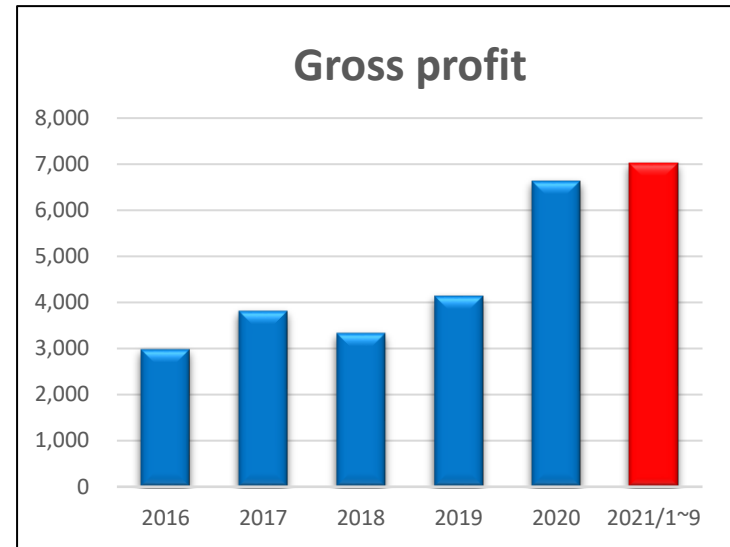
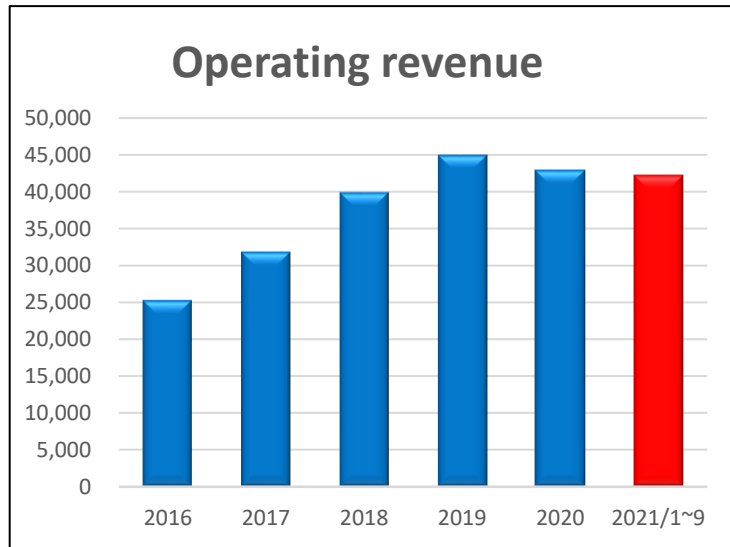
(Expressed in Millions of New Taiwan Dollars)	2021.9.30		2020.12.31		2020.9.30	
	AMT	%	AMT	%	AMT	%
Current assets	29,963.17	56%	21,192.14	48%	20,985.56	47%
Cash and Current financial assets	1,907.75	4%	2,090.20	5%	1,434.71	3%
Receivable, net	6,784.27	13%	6,070.07	14%	5,614.90	13%
Inventory	19,759.74	37%	12,227.39	28%	13,068.28	29%
other current assets	1,511.41	3%	804.48	2%	867.67	2%
Non current assets	23,792.10	44%	23,228.95	52%	23,521.49	53%
Real properties, plants and devices	17,927.62	34%	18,390.41	41%	18,748.29	42%
other non current assets	5,864.48	10%	4,838.54	11%	4,773.20	11%
Total assets	53,755.27	100%	44,421.09	100%	44,507.05	100%
Current liabilities	23,077.44	43%	13,815.78	31%	15,987.75	36%
Short term loans	10,739.98	20%	5,875.42	13%	8,286.70	19%
other current liabilities	12,337.46	23%	7,940.36	18%	7,701.05	17%
Non-current liabilities	2,577.69	5%	2,897.48	7%	3,375.09	8%
Total liabilities	25,655.13	48%	16,713.26	38%	19,362.84	44%
Total equity	28,100.14	52%	27,707.83	62%	25,144.21	56%
Total liabilities & equity	53,755.27	100%	44,421.09	100%	44,507.05	100%

Consolidated Statements of Cash Flows

(Expressed in Millions of New Taiwan Dollars)	For the nine months ended Sep. 30	
	2021	2020
Cash at beginning of period	1,933.17	976.85
Cash flows from operating activities	(1,677.02)	5,847.62
Cash flows from investing activities	(1,001.35)	(231.61)
Cash flows from financing activities	2,299.51	(5,249.18)
Effect of exchange rate changes	176.91	(49.16)
Cash at beginning of period	1,731.22	1,294.52
Free Cash flows	(2,678.37)	5,616.01
Cash dividends	1,634.81	1,355.48

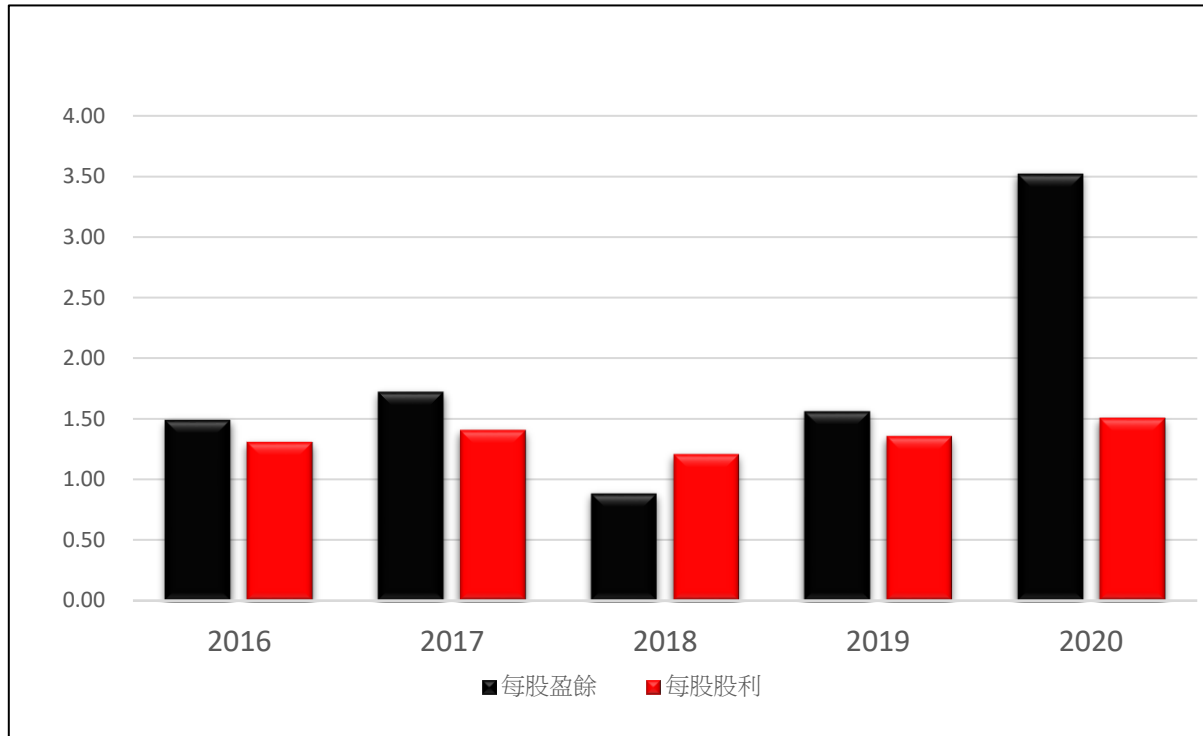
(NT\$Millions)

Historical Operating Results



Historical Dividend

(NT\$)



■ Earnings per share

■ Dividend per share

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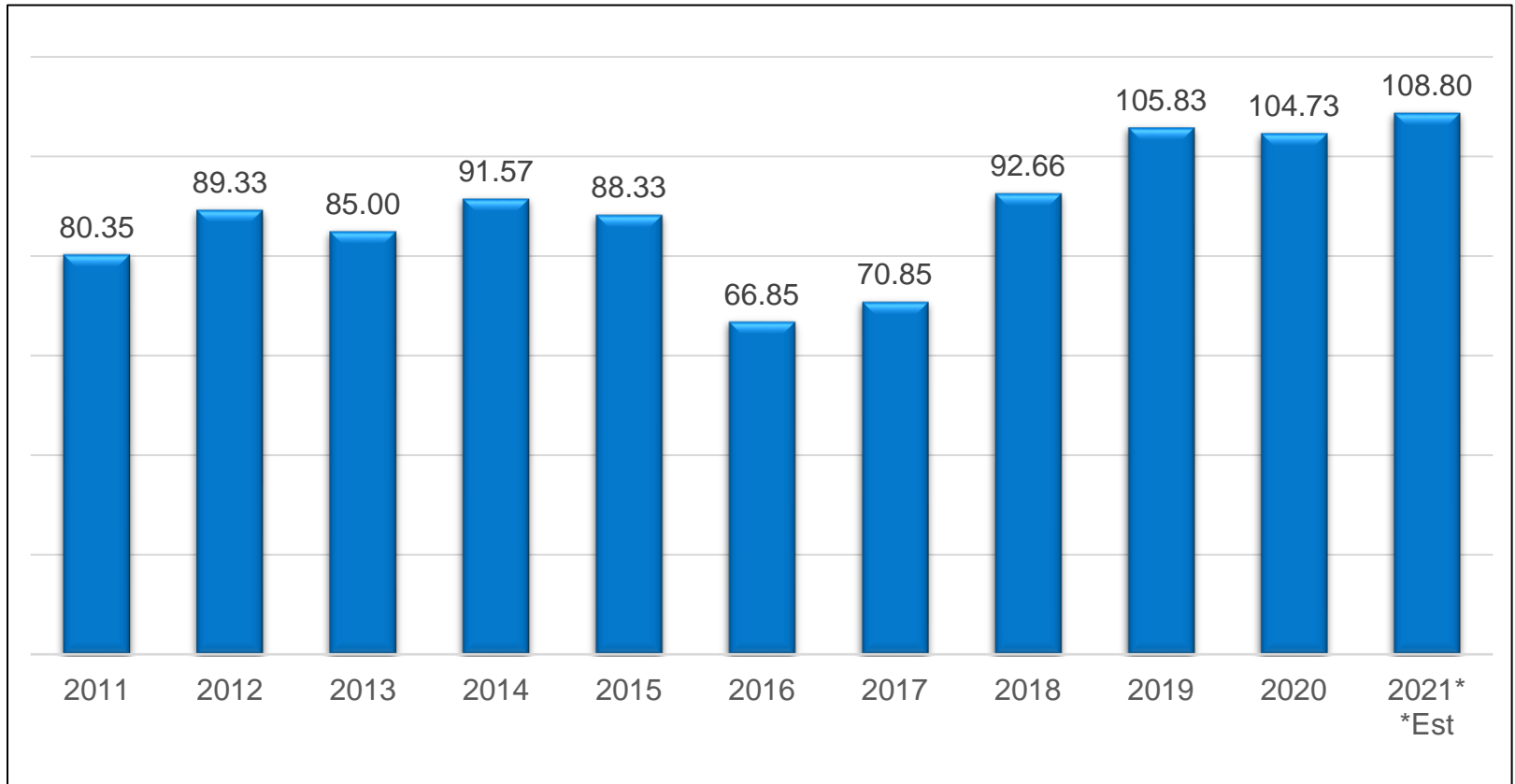
Key Messages

- 1. Improvement of Taoyuan Works' capabilities and efficiency**
- 2. THSVC new rolling mill put into production**
- 3. Domestic H-beam demand and production**
- 4. Corporate Governance Performance**

Improvement of Taoyuan Works' capabilities and efficiency

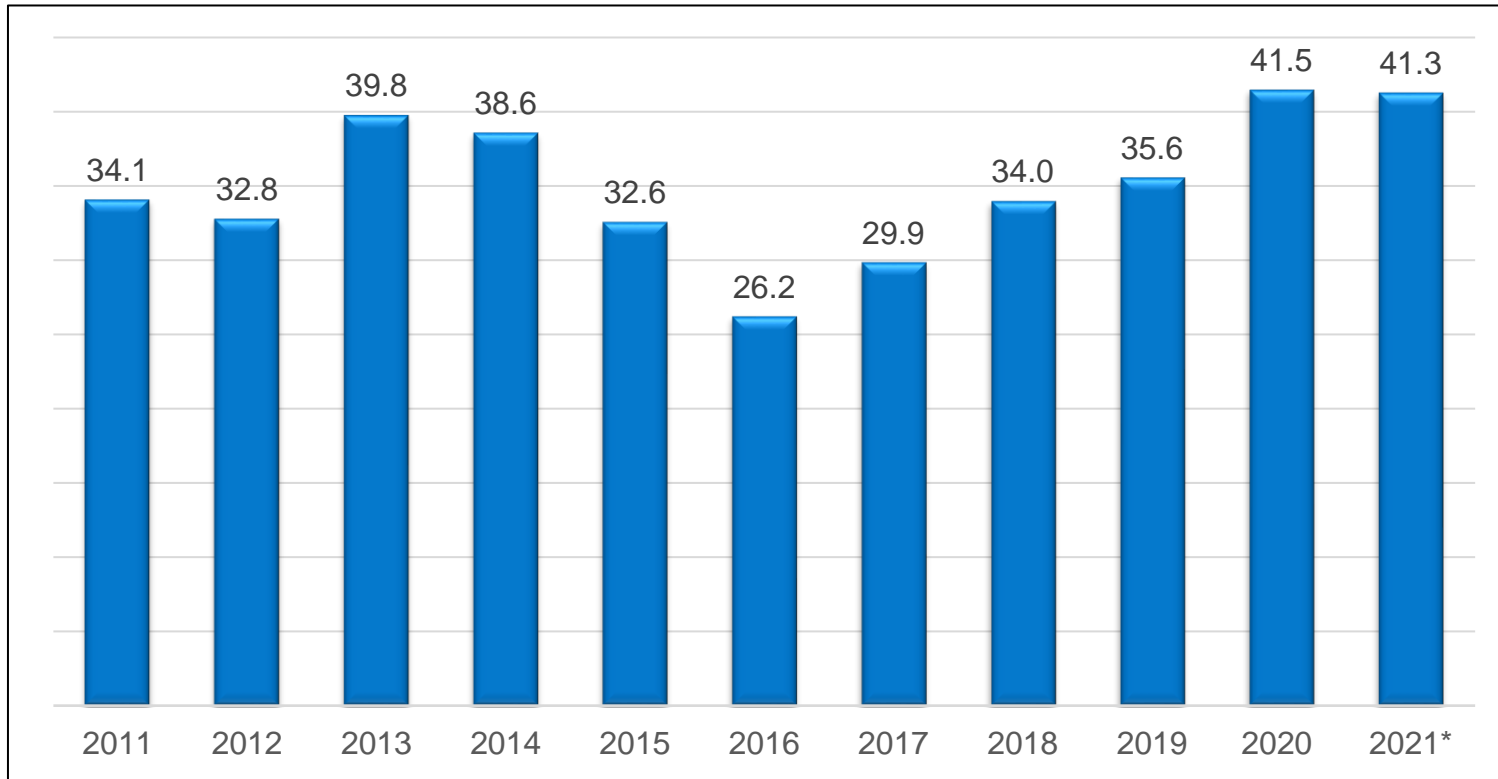
Tung Ho Steel' annual rebar production

10K metric tons



Improvement of Taoyuan Works' capabilities and efficiency

Floor area of building permit(Million m2)



5.66 5.73 5.79 6.06 5.65 4.77 4.71 5.23 5.49 5.96 6.08*(Est)

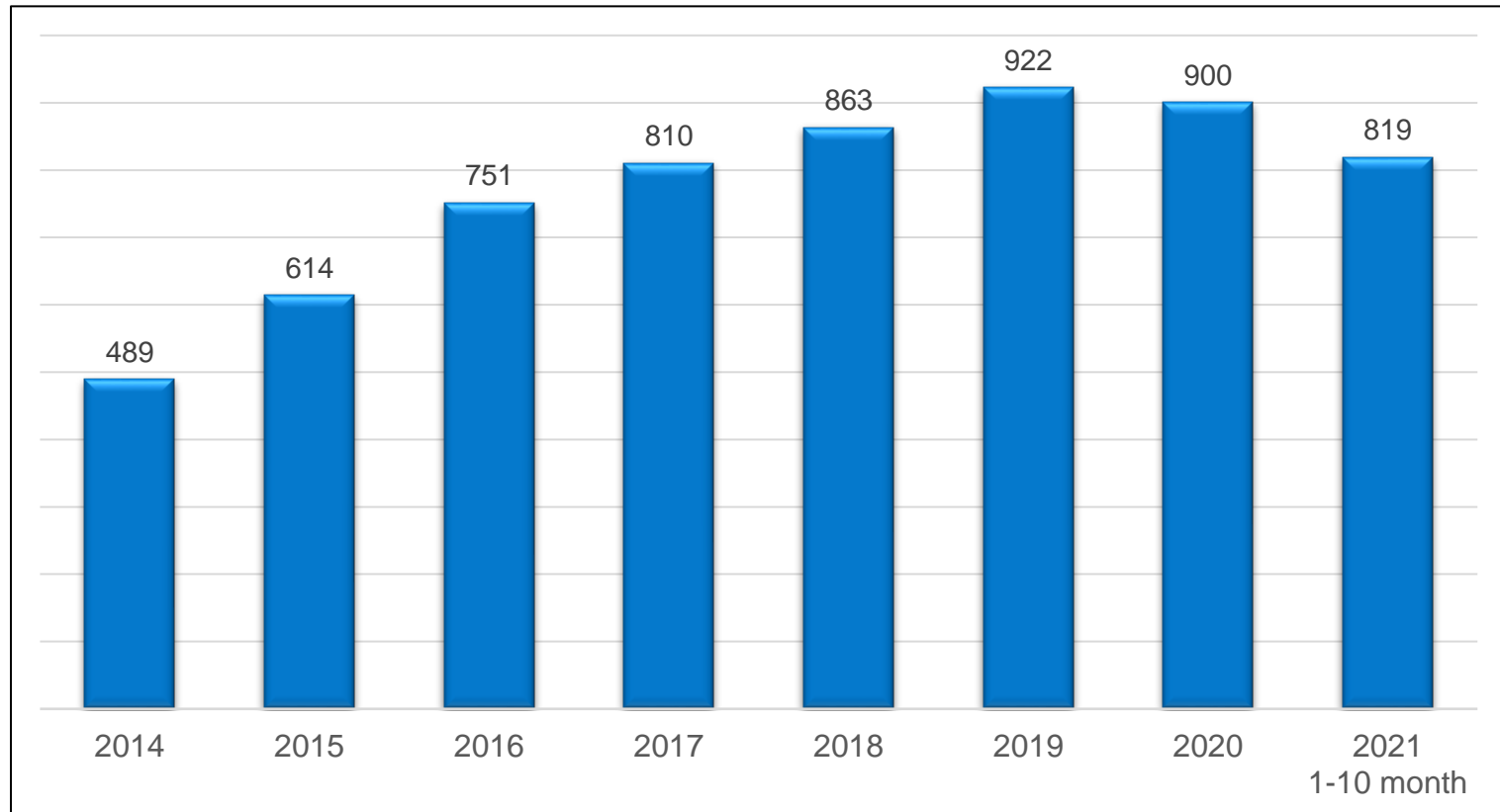
Taiwan Annual Steel Demand (Million tons)

* Est from Jan-Sep

THSVC new rolling mill put into production

Annual Demand for construction steel products in Vietnam domestic market

10K metric tons

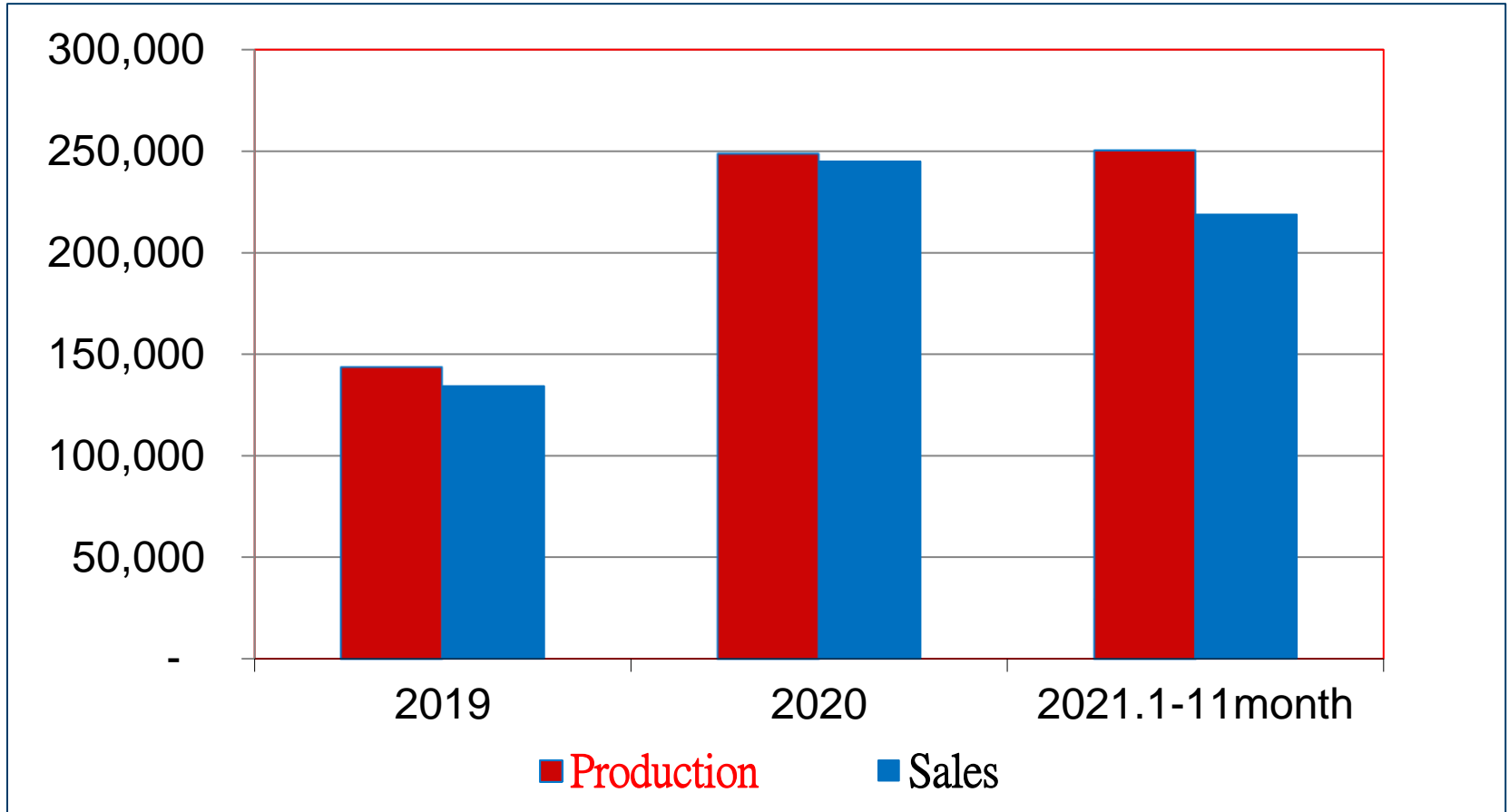


2014~2020 Annual demand for construction steel-Members

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

THSVC new rolling mill put into production

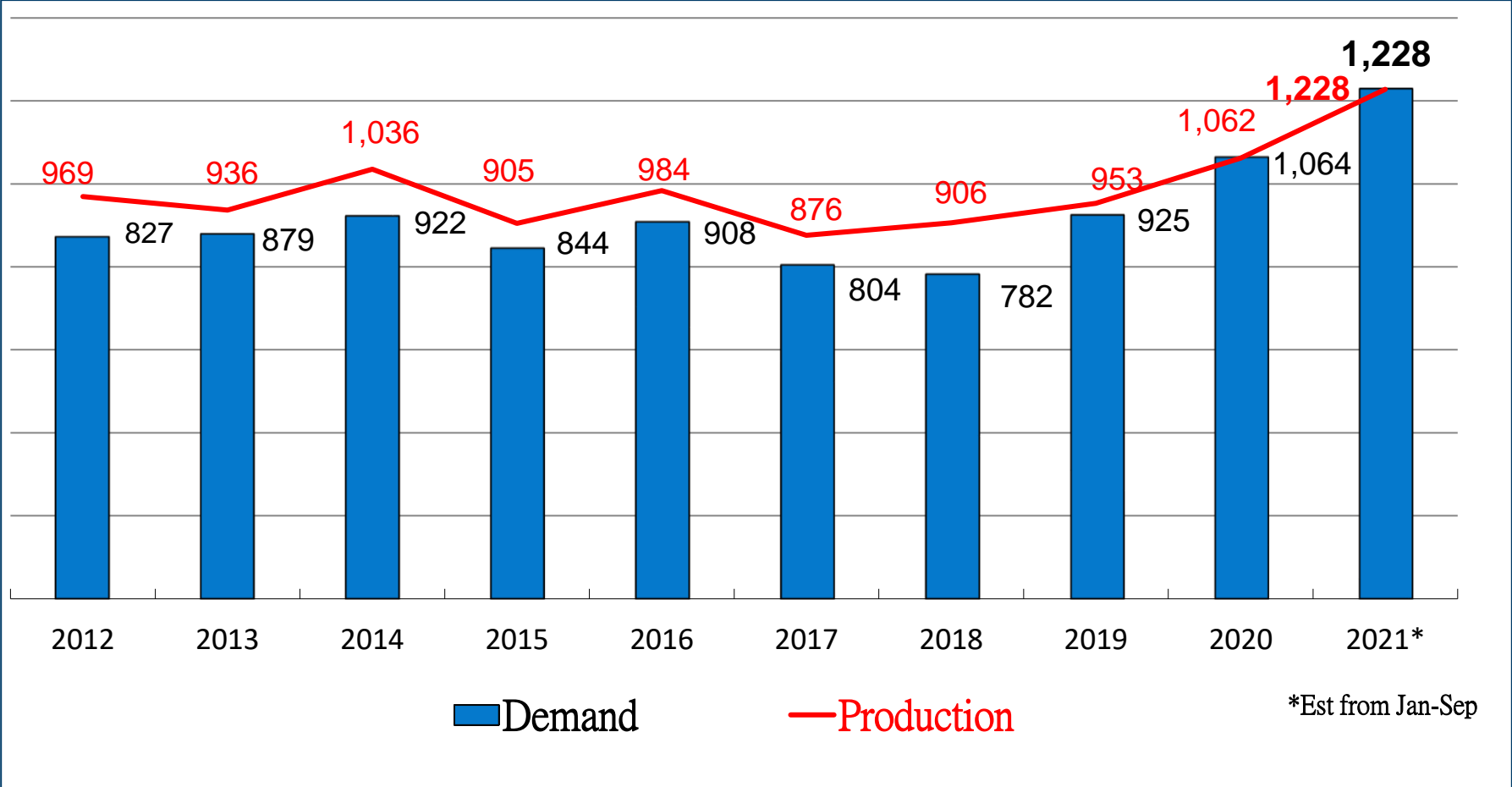
THSVC、mt



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

Domestic H-beam demand and production

TSIIA、000mt



Corporate Governance Performance

- Tung Ho Steel Enterprise Corporation was endowed with the honor to win the “Traditional Manufacturing – Platinum Award” of “TCSA Corporate Sustainability Report Awards ” ◦
- Top 5% of the 7th Corporate Governance Evaluation in 2020 from TWSE ◦
- Tung Ho Steel Enterprise Corporation was included in the “ Taiwan Stock Exchange Corporate Governance Index 100 ” for three consecutive years.



東和鋼鐵企業股份有限公司
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