

Ticker Symbol : 2006



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

2021 Investor Conference

Sep 15,2021

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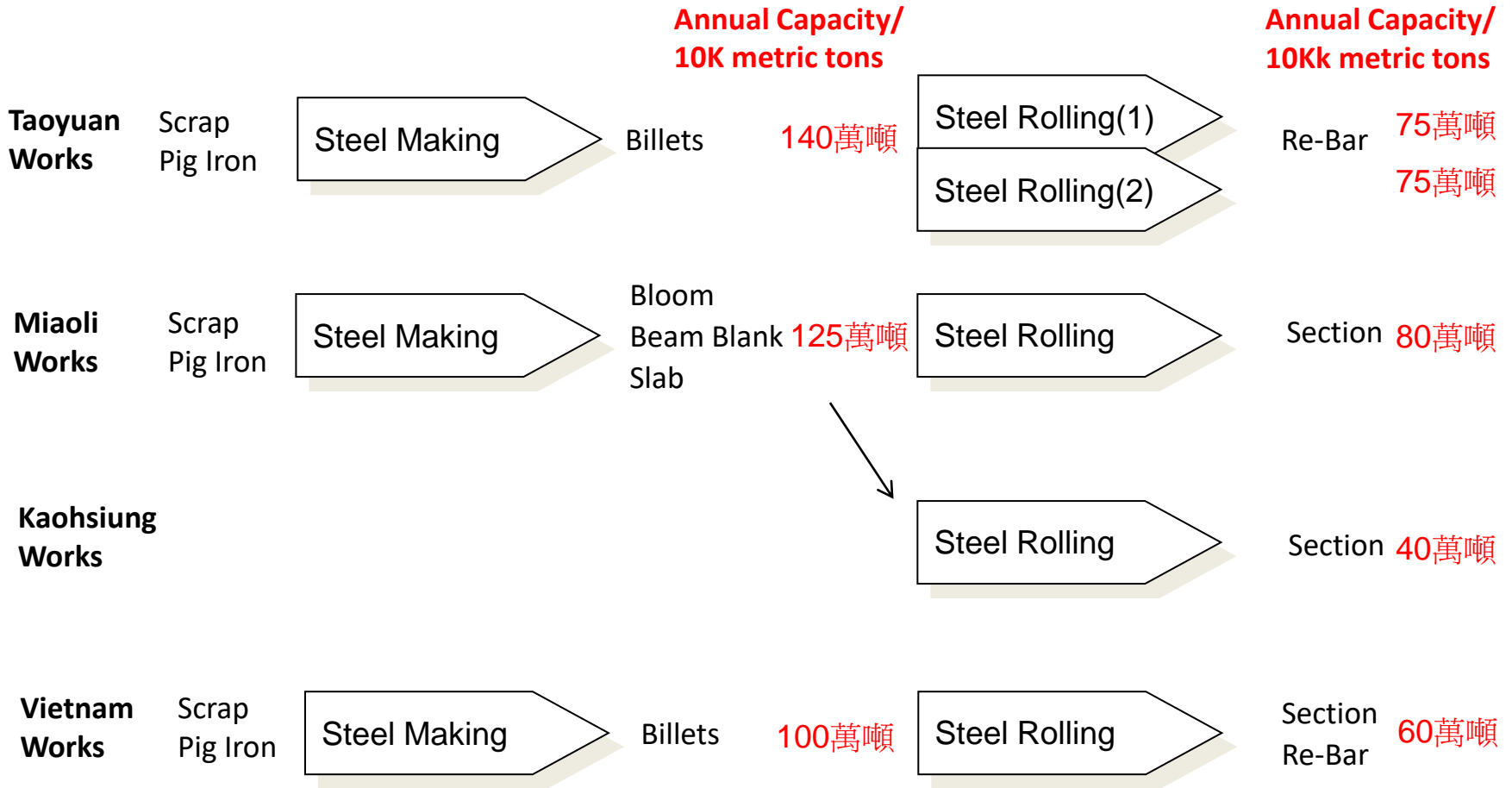
Agenda

- 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 : 1,089,871 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



Agenda

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Consolidated Statements of Comprehensive Income

	For the six months ended Jun. 30		
	2021	2020	%
(Expressed in Millions of New Taiwan Dollars)			
Operating revenue, net	27,786.44	19,712.23	140.96%
Operating costs	(23,183.74)	(17,049.08)	135.98%
Gross profit, net	4,602.70	2,663.15	172.83%
Operating expenses, net	(1,110.57)	(966.90)	114.86%
Operating profits	3,492.13	1,696.25	205.87%
Non operating income and expenses	186.04	(114.33)	262.72%
Income tax expense	(687.59)	(409.23)	168.02%
Net income	2,990.58	1,172.69	255.02%
attributable to owners of parent	2,983.96	1,188.11	
Non controlling interests	6.62	(15.42)	
Earnings per share	2.75	1.18	
Gross profit ratio (%)	16.56%	13.51%	
Operating profit ratio (%)	12.57%	8.61%	
Net profit ratio (%)	10.76%	5.95%	

Consolidated Balance Sheets

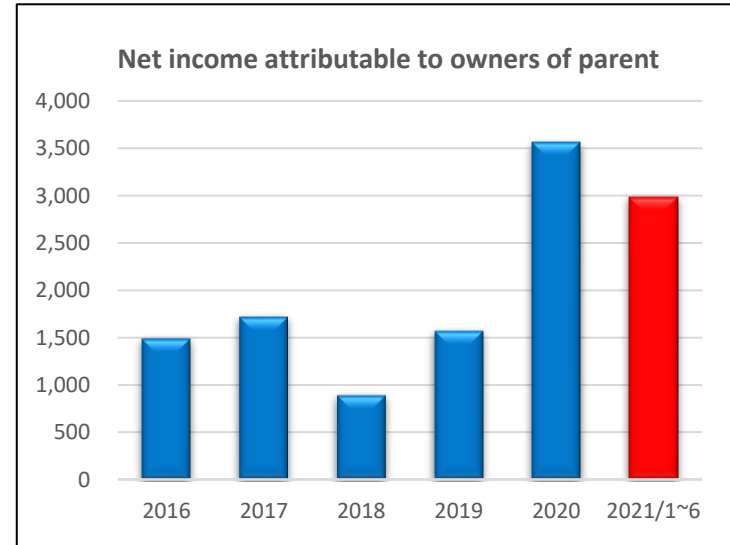
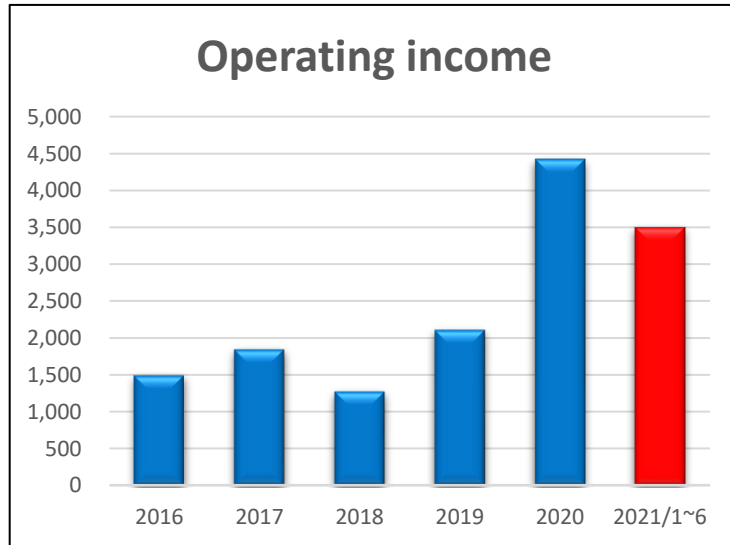
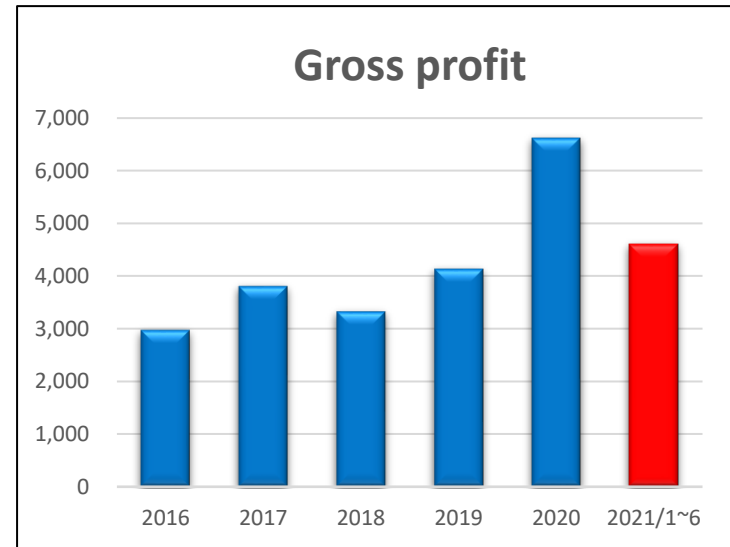
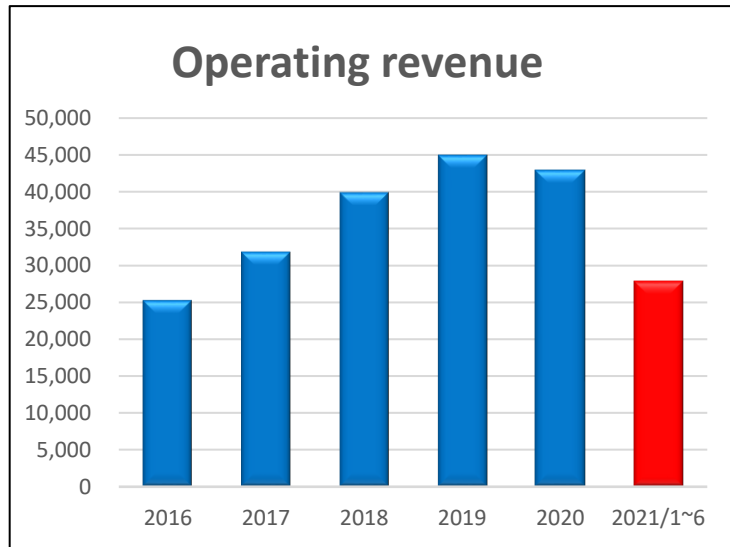
(Expressed in Millions of New Taiwan Dollars)	2021.6.30		2020.12.31		2020.6.30	
	AMT	%	AMT	%	AMT	%
Current assets	27,418.39	54%	21,192.14	48%	22,955.52	49%
Cash and Current financial assets	2,167.50	4%	2,090.20	5%	1,836.56	4%
Receivable, net	6,854.96	13%	6,070.07	14%	6,658.72	14%
Inventory	17,040.04	33%	12,227.39	28%	13,532.77	29%
other current assets	1,355.89	3%	804.48	2%	927.47	2%
Non current assets	23,746.52	46%	23,228.95	52%	23,904.79	51%
Real properties, plants and devices	18,069.24	36%	18,390.41	41%	19,110.99	41%
other non current assets	5,677.28	10%	4,838.54	11%	4,793.80	10%
Total assets	51,164.91	100%	44,421.09	100%	46,860.31	100%
Current liabilities	18,405.90	36%	13,815.78	31%	18,334.84	39%
Short term loans	8,945.75	17%	5,875.42	13%	9,411.00	20%
other current liabilities	9,460.15	18%	7,940.36	18%	8,923.84	19%
Non-current liabilities	2,663.80	5%	2,897.48	7%	4,485.52	10%
Total liabilities	21,069.70	41%	16,713.26	38%	22,820.36	49%
Total equity	30,095.21	59%	27,707.83	62%	24,039.95	51%
Total liabilities & equity	51,164.91	100%	44,421.09	100%	46,860.31	100%

Consolidated Statements of Cash Flows

(Expressed in Millions of New Taiwan Dollars)	For the six months ended Jun. 30	
	2021	2020
Cash at beginning of period	1,933.17	976.85
Cash flows from operating activities	(1,574.65)	2,711.49
Cash flows from investing activities	(852.30)	(150.19)
Cash flows from financing activities	2,205.46	(1,805.41)
Effect of exchange rate changes	280.89	(50.89)
Cash at beginning of period	1,992.57	1,681.85
Free Cash flows	(2,426.95)	2,561.30
Cash dividends	1,634.81	1,355.48

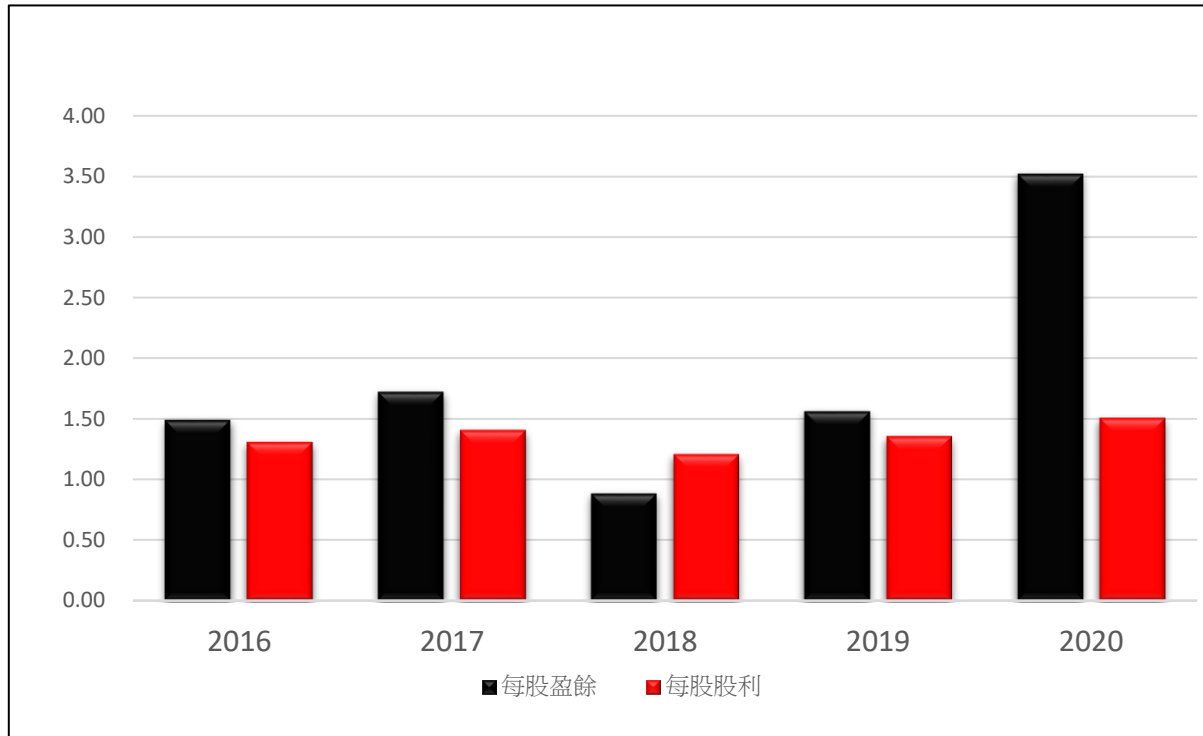
(NT\$Millions)

Historical Operating Results



Historical Dividend

(NT\$)



■ Earnings per share ■ Dividend per share

Agenda

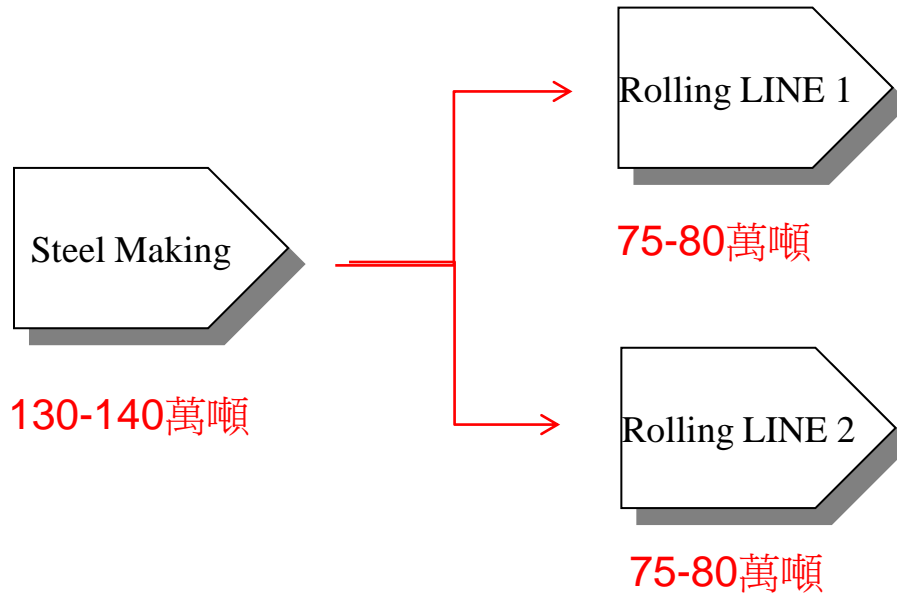
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Key Messages

1. **Improvement of Taoyuan Works' capabilities and efficiency**
2. **THSVC new rolling mill put into production**
3. **Corporate Governance Performance**

Improvement of Taoyuan Works' capabilities and efficiency

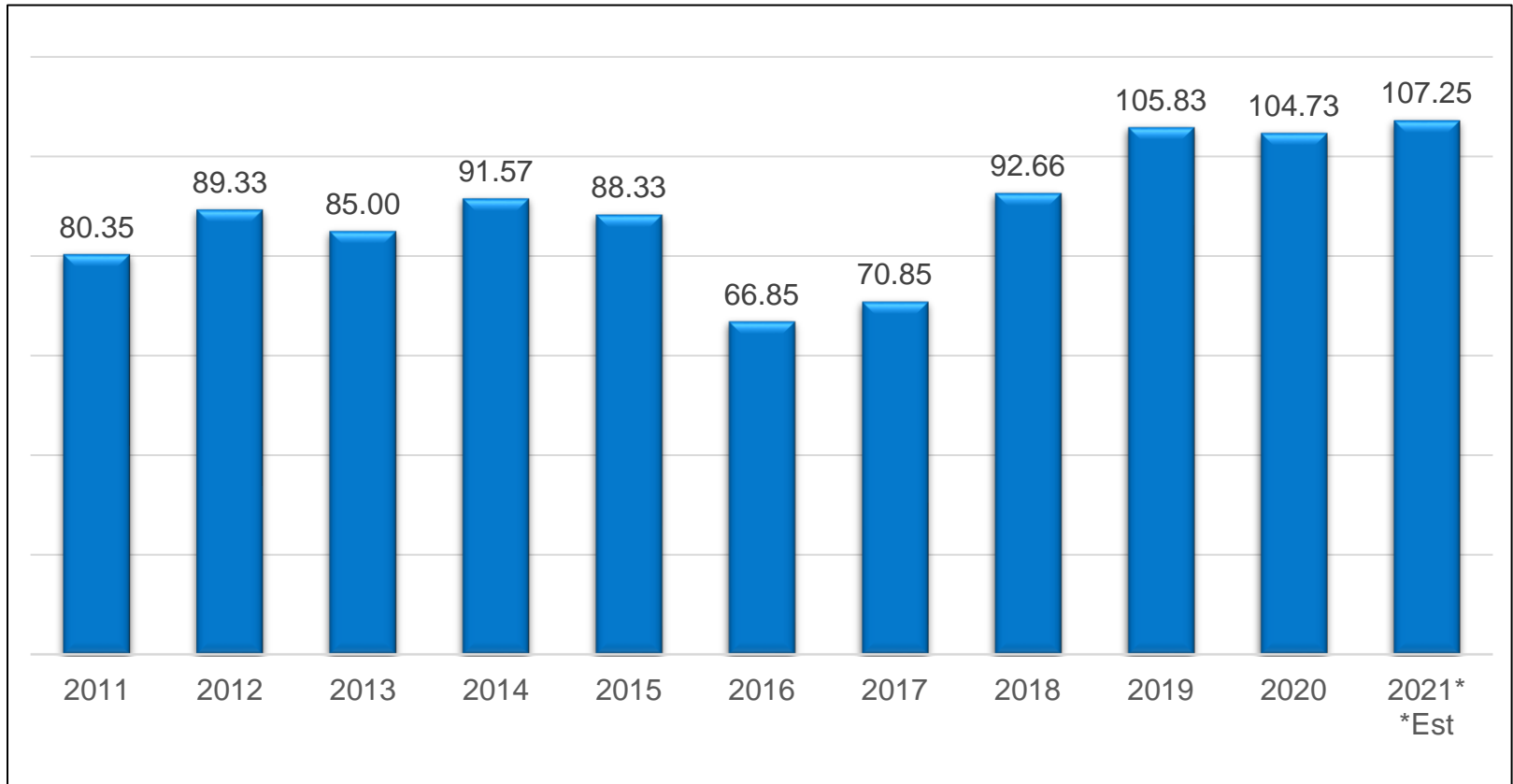
Annual Capacity/
10K metric tons



Improvement of Taoyuan Works' capabilities and efficiency

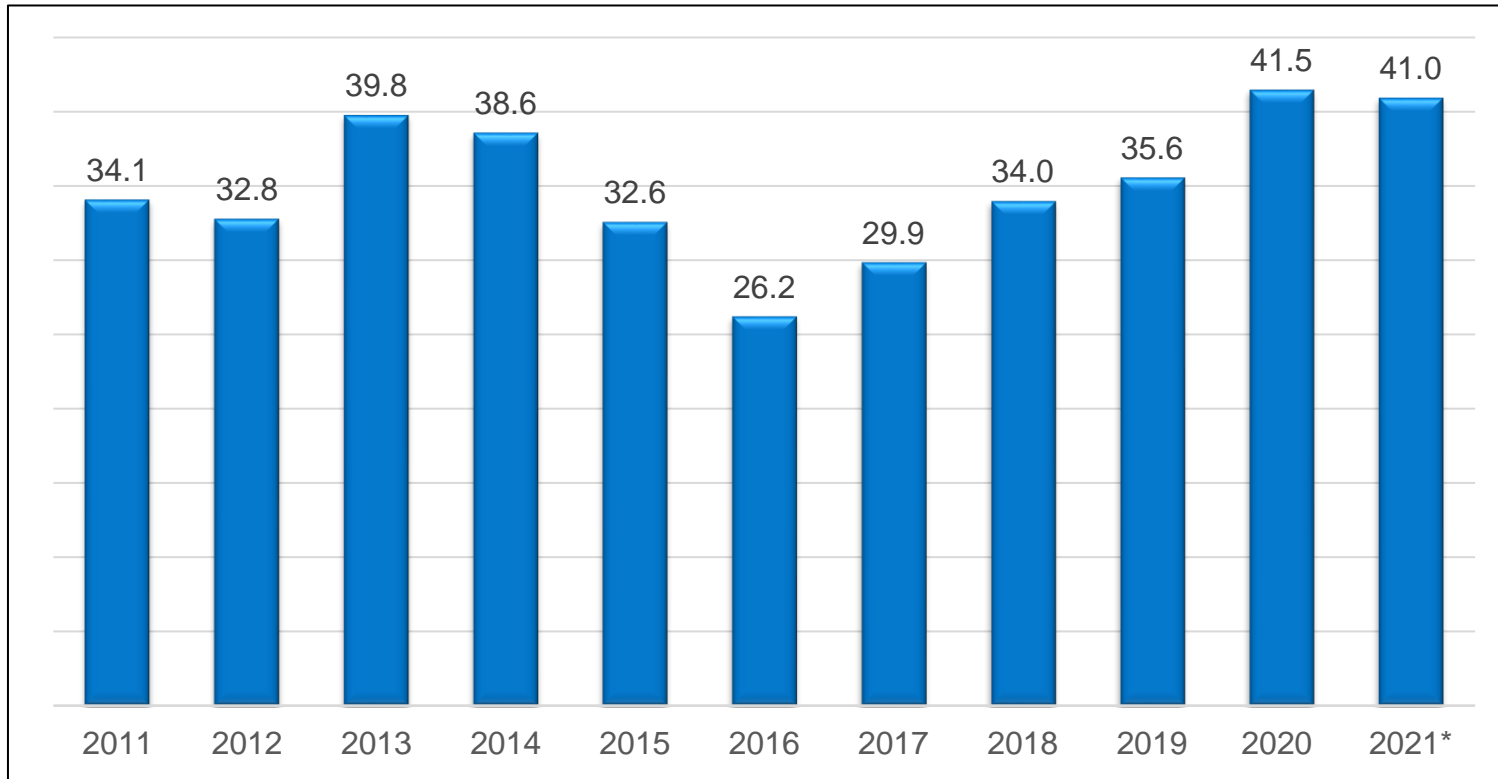
Tung Ho Steel' annual rebar production

10K metric tons



Improvement of Taoyuan Works' capabilities and efficiency

Floor area of building permit(Million m2)



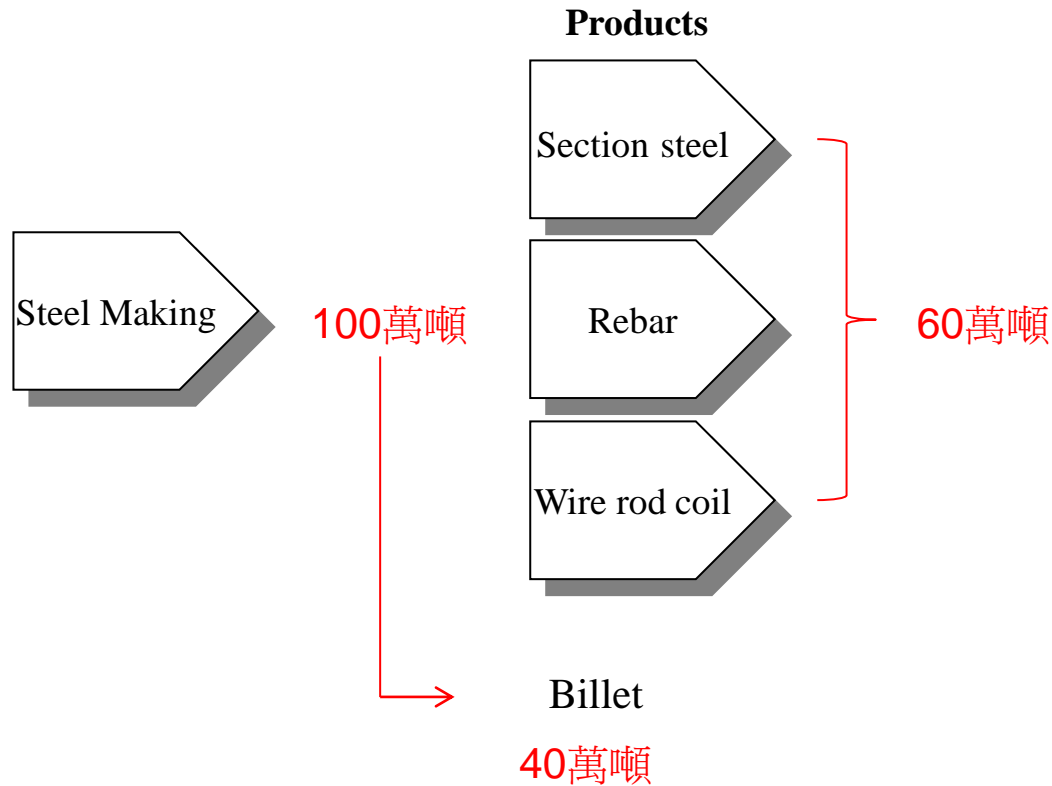
5.66 5.73 5.79 6.06 5.65 4.77 4.71 5.23 5.49 5.96 6.03*

Taiwan Annual Steel Demand (Million tons)

* Est from Jan-Jun

THSVC new rolling mill put into production

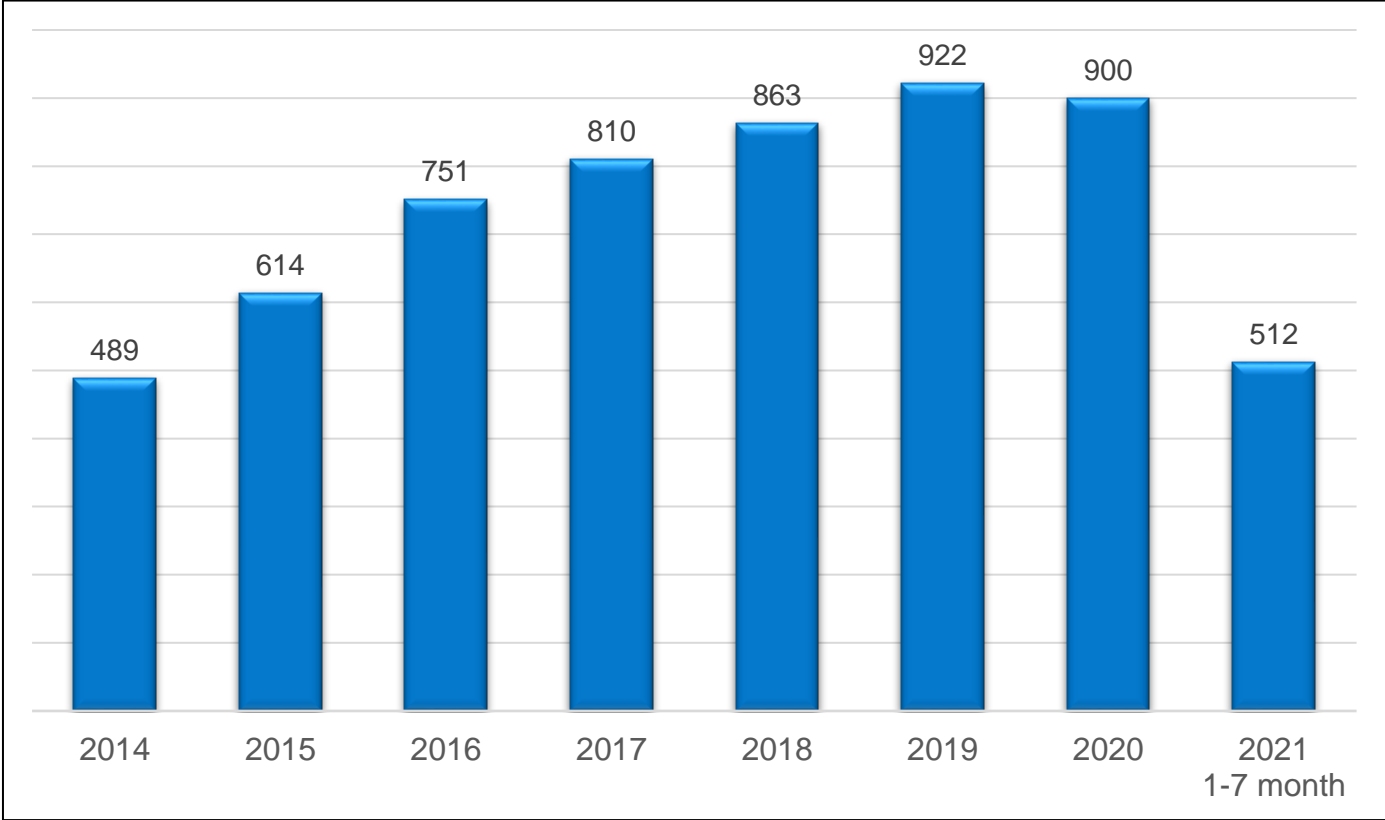
Annual Capacity/
10K metric tons



THSVC new rolling mill put into production

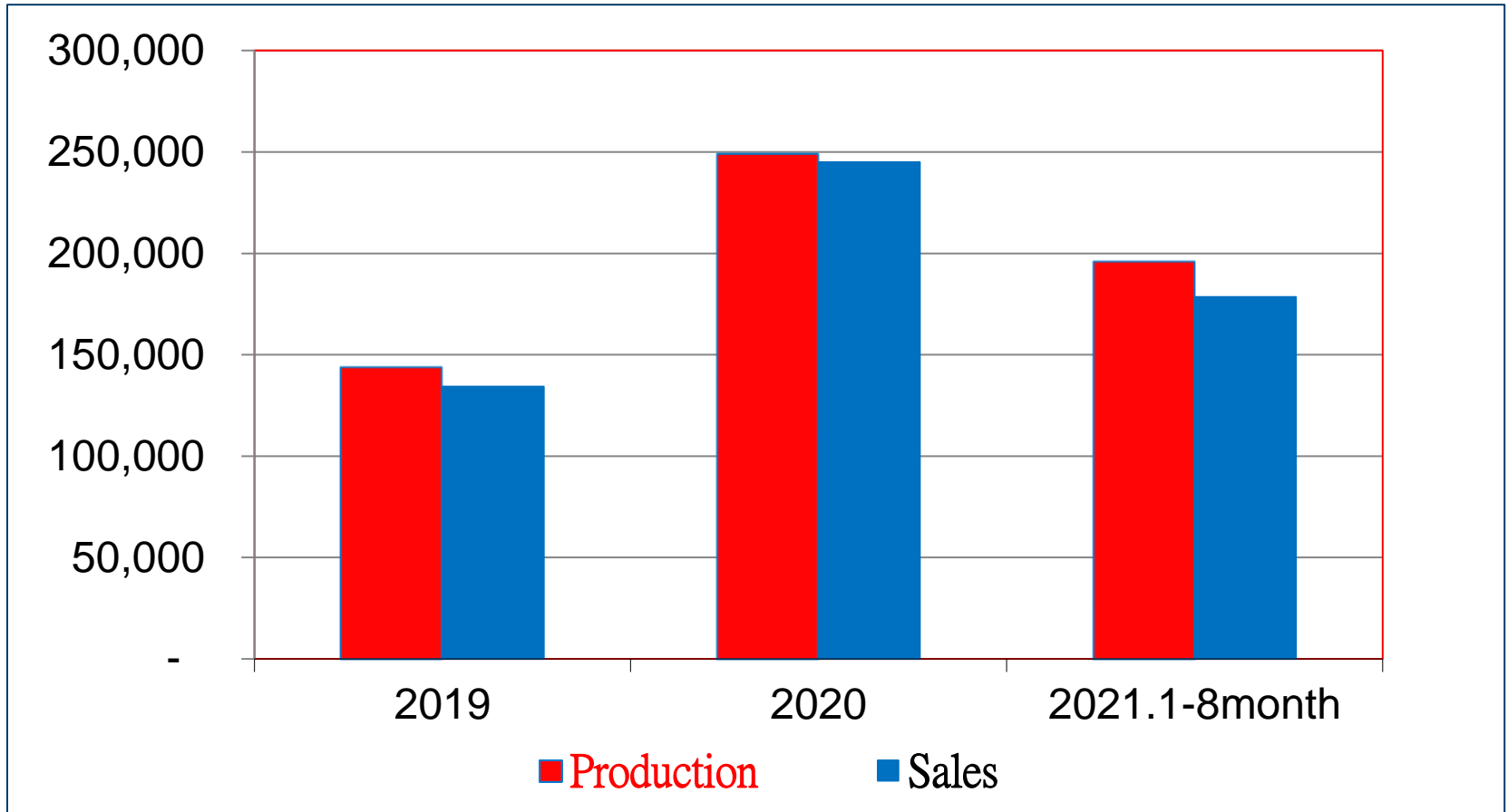
Annual Demand of long steel products in Vietnam domestic market

10K metric tons



THSVC new rolling mill put into production

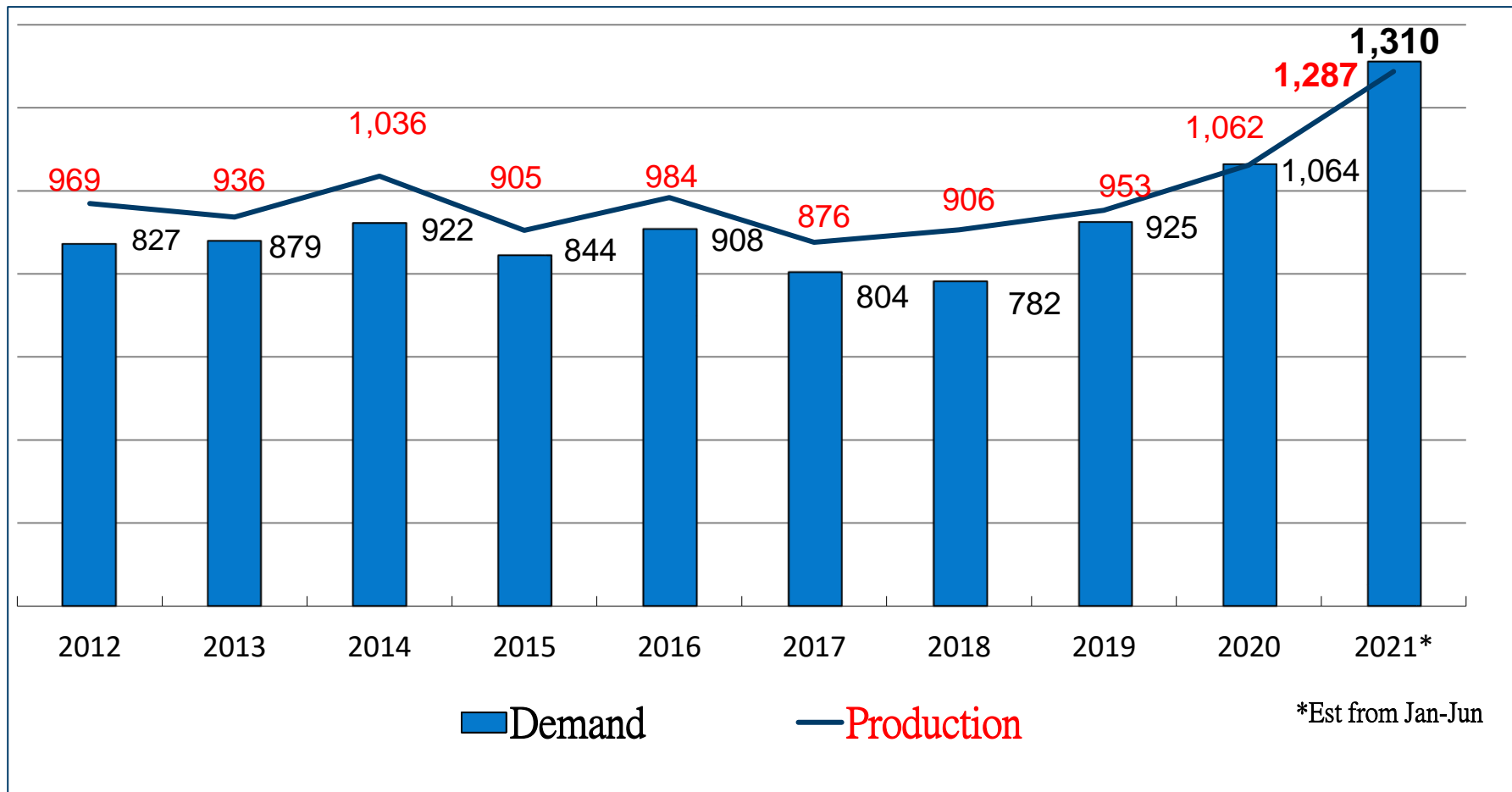
THSVC、mt



- 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 – Gold Award” of “TCSA Taiwan Enterprise Sustainability Award ” ◦
- 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.



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