



YIEH HSING ENTERPRISE CO., LTD
2021 Investor Conference

2021/8/18

Stock Code : 2007



Disclaimer

This presentation is based on the information obtained from various sources which the Company believes to be reliable. But at some point in the future, there are a variety of factors which could cause actual results to differ materially from those statements. Therefore, please refer to the information on MOPS website as the main basis if any adjustment has been made.

(<http://mops.twse.com.tw/mops/web/index>)



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PART

01

Company Overview

Introduction

Time Establishment	July 18, 1978
Capital Investment	5.3 billion
Chairman	Lin-Maw Wu
President	Robert Sen-Long Chen
Number of Employee	424 (June,2021)
Stock Time to Market	October 4, 1988



Mill Location Introduction

Kangshan Factory

1.Capacity:20m ton/year

2.Main Product:

Stainless & Carbon Wire Rod



Pingnan Factory

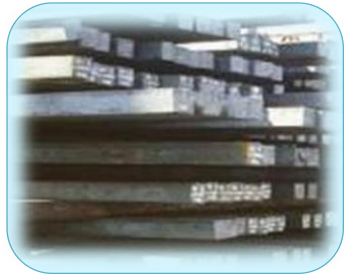
1.Capacity:30m ton/year

2.Main Product:

Carbon Wire Rod

Wire Rod Manufacturing Process

Raw Material Billet



Carbon

Stainless

Reheating Furnace

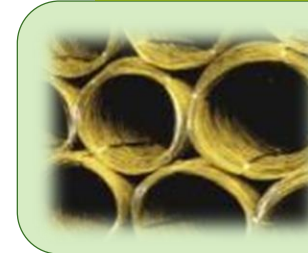


Rolling



Carbon

Carbon Steel Product



Carbon Steel series
Alloy Steel series
Free-Cutting series

Annealing Furnace



Pickling



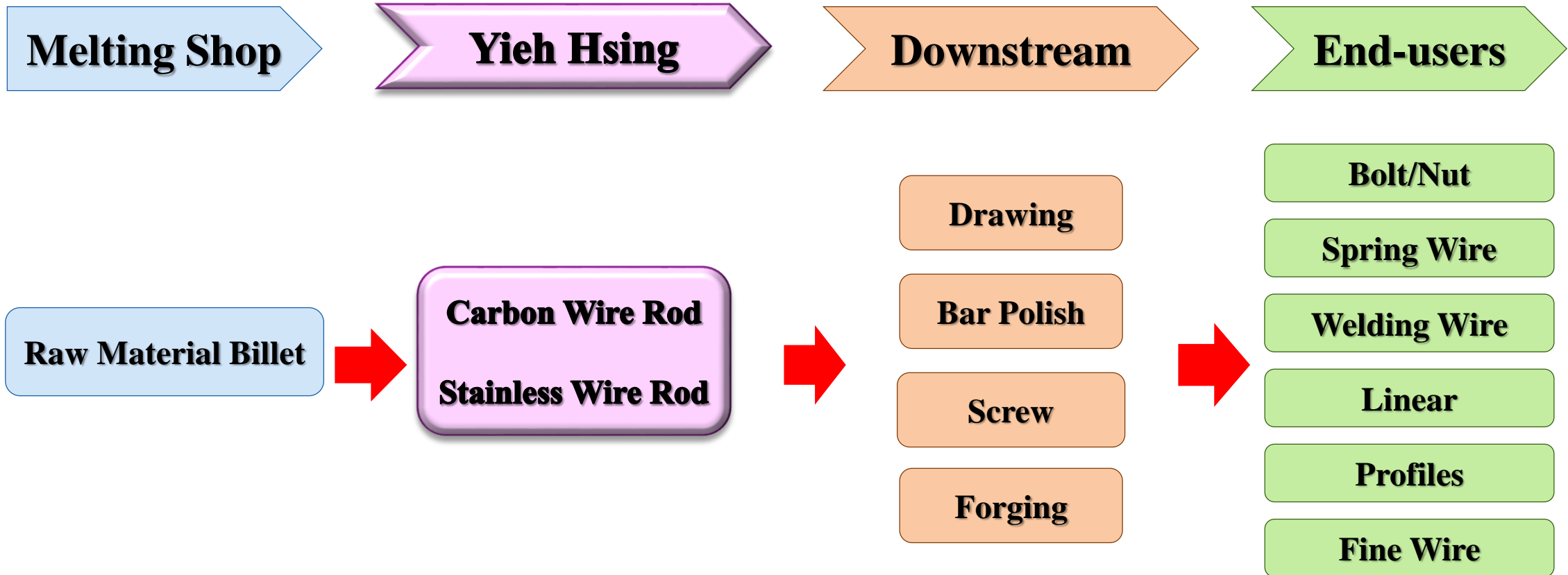
Stainless

Stainless Steel Product



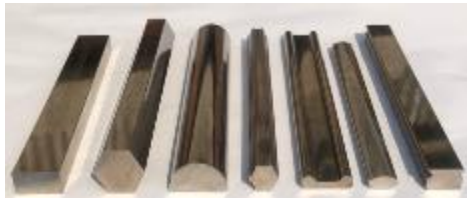
200 series
300 series
400 series
Welding series

Status of Wire Rod Industries



Application of Wire Rod

Profiles & Polish Bar



**General Applications
(Bolt, Nut)**



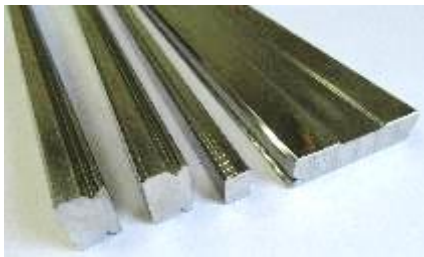
Stainless Welding Steel



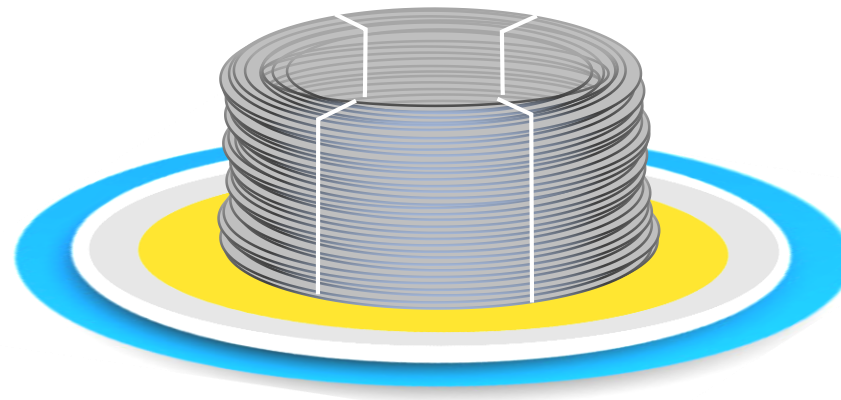
Stainless Fine Wire



Stainless Linear



Stainless Spring Steel Wire



Various Certification

ISO 9001



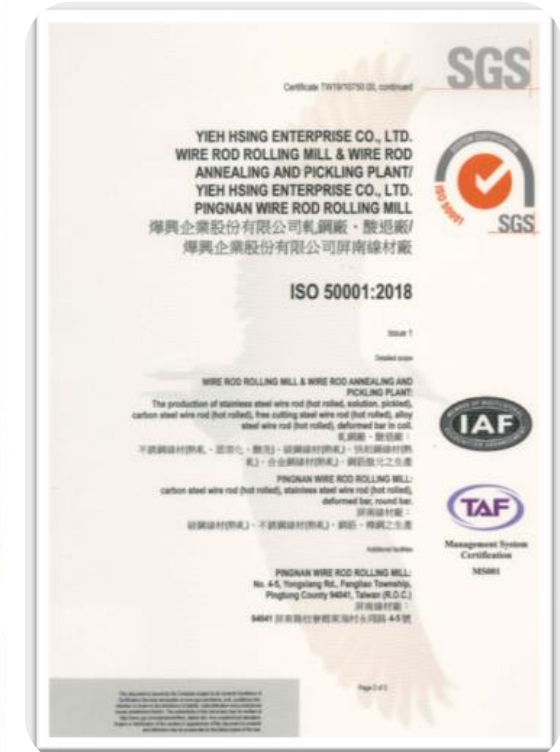
ISO 14001



ISO 45001

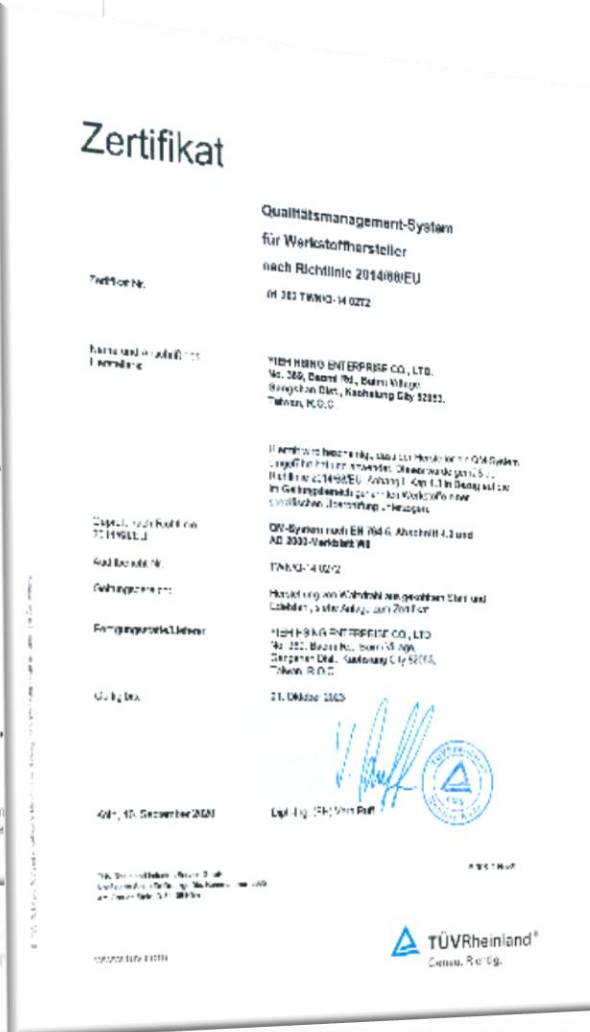
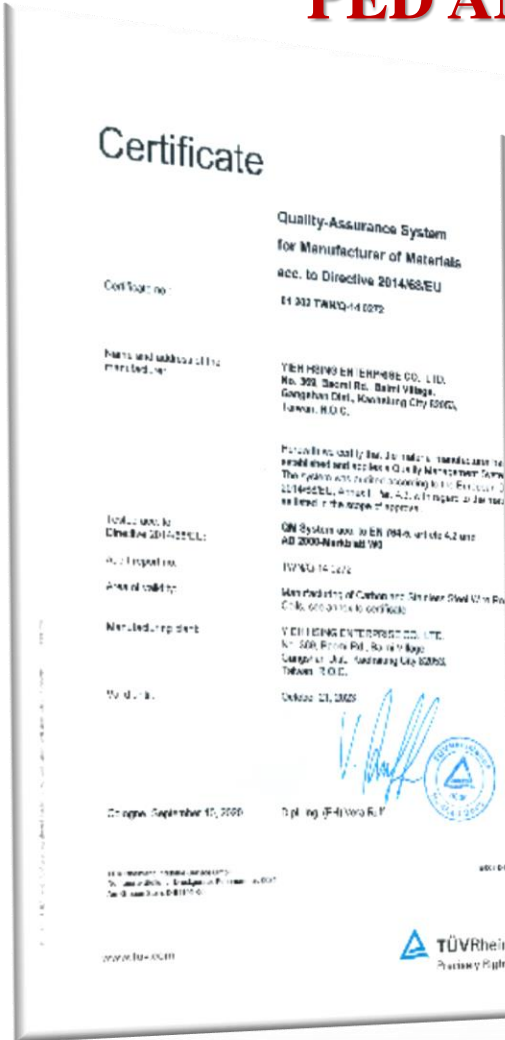


ISO 50001



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PART

02

Operating Performance

Consolidated Income Statement

Amount Unit :
NT\$ thousand dollars

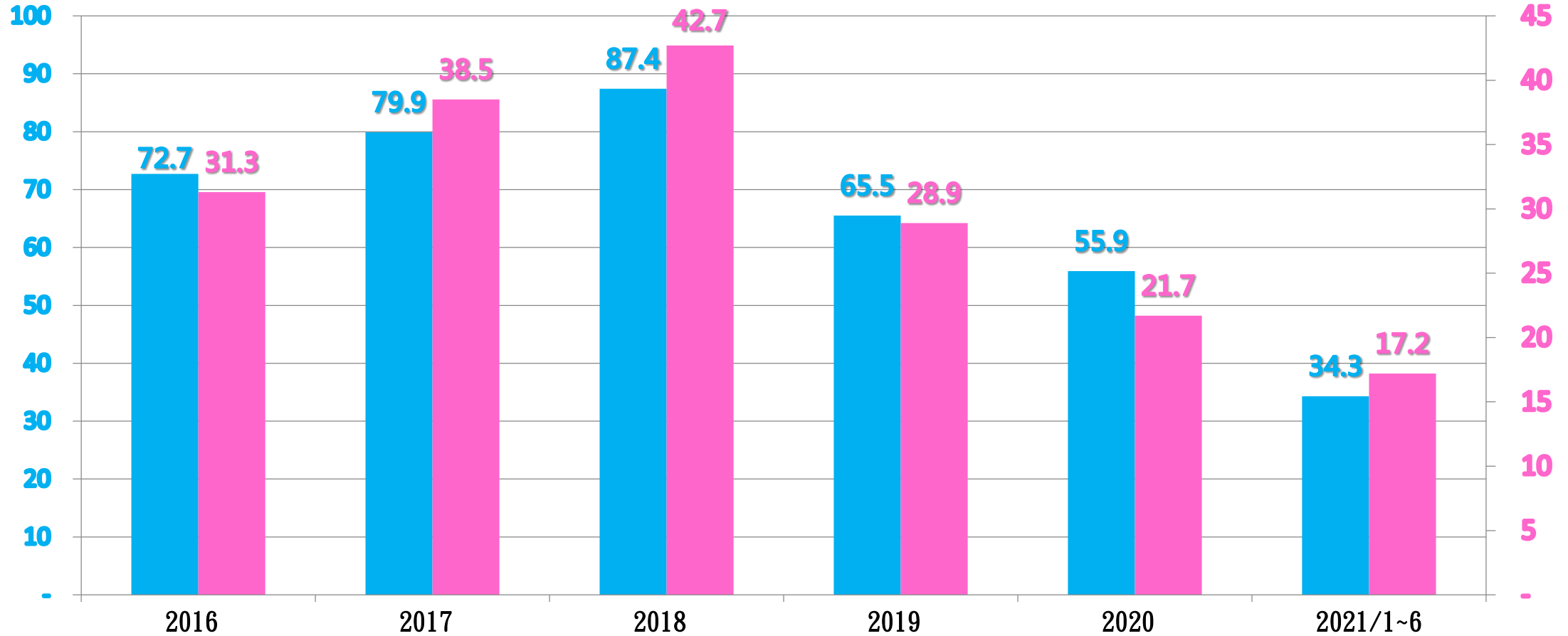
Item	Year	2021/1~6 Amount	2020/1~6 Amount	2020 Amount
Operating Revenue		3,426,232	2,786,702	5,589,791
Gross Profit		259,350	(131,613)	(163,309)
Net Operating Income (profit/loss)		171,097	(227,351)	(353,613)
Net Income (profit/loss)		26,059	(315,530)	(484,760)
Total comprehensive (profit/loss) For this period attributable to Owners of the parent company		26,059	(307,811)	(470,090)
Earning per Share (dollars)		0.05	(0.58)	(0.89)

Over the Years Revenue and Production Changes Map

Revenue Unit :
NT\$100 million

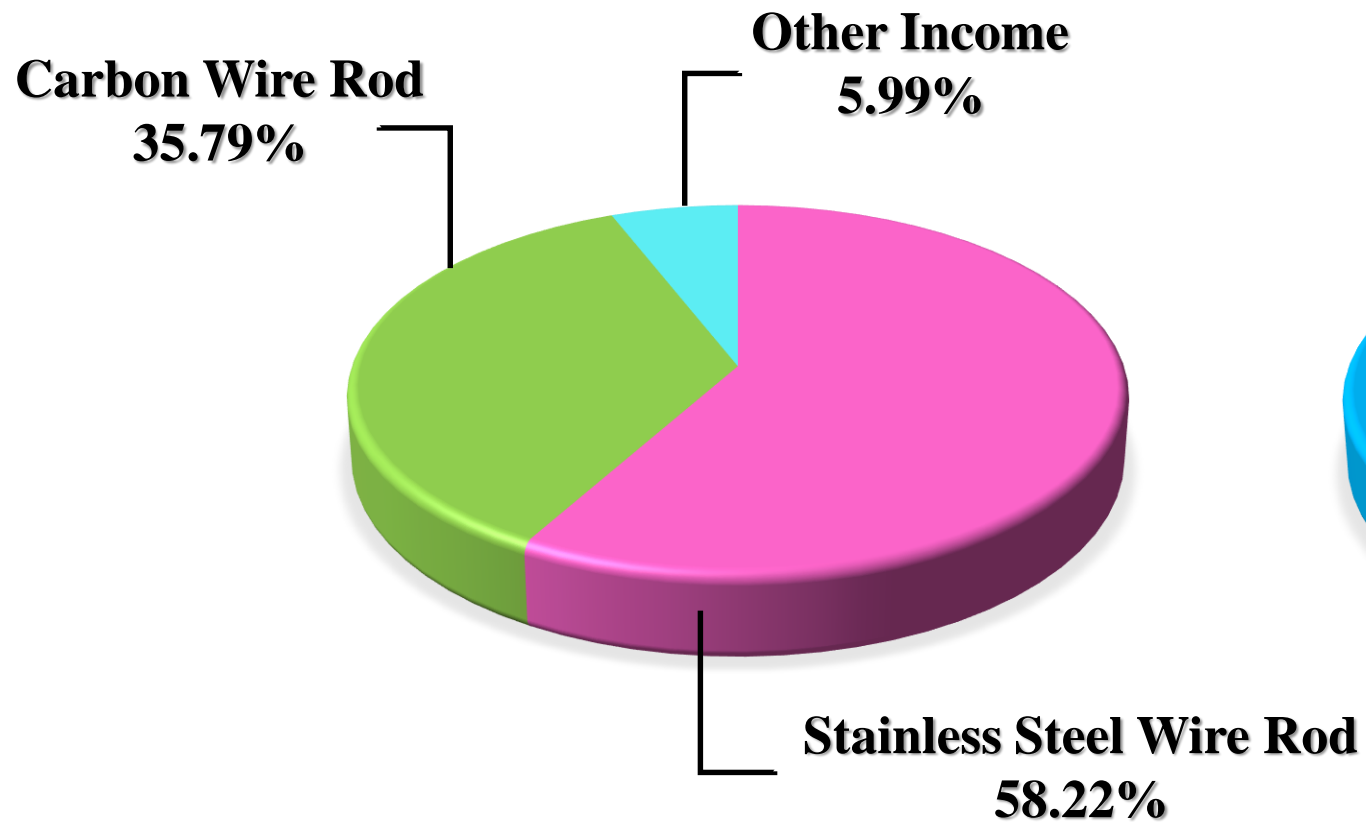
● Revenue Amount ● Production

Production Unit :
10,000 tons/year

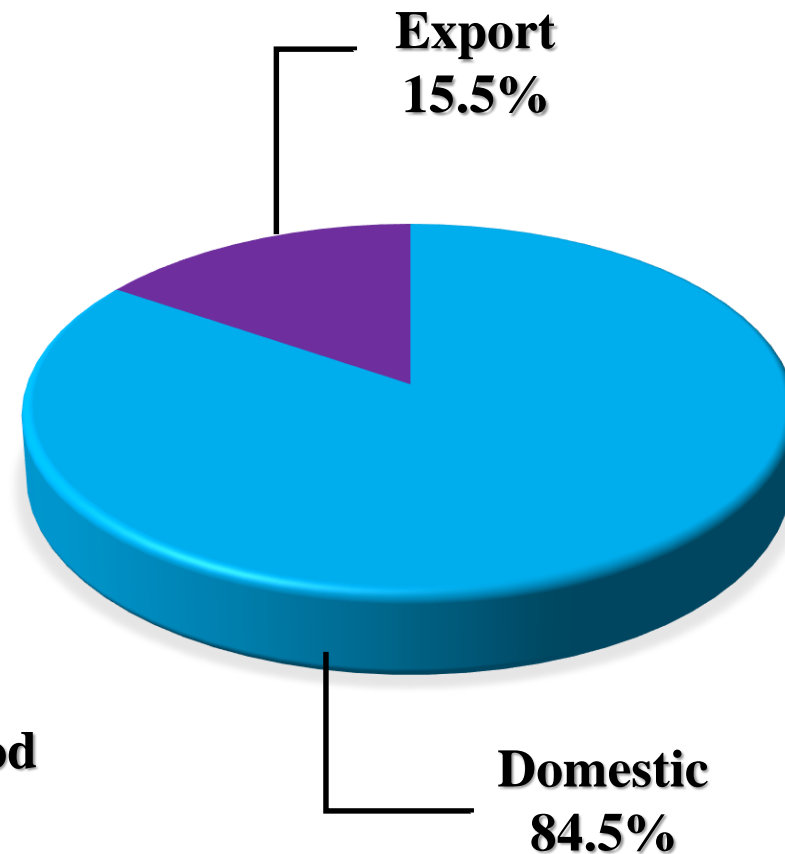


Proportion of Revenue 2021 Jan.~Jun.

Various Products Sales Ratio



Domestic and Foreign Sales Ratio





PART

03

Market Overview & Future Outlook



Market Overview

- The price of raw materials fluctuates violently under the influence of various countries' policies (such as the cancellation of export tax rebates and production restrictions on the mainland). Yieh Hsing focuses flexible orders on relatively favorable markets and steel types to avoid falling into a vicious circle of low-price competition.
- With the successive launch of vaccines in European and American countries and the slow recovery of economic activities, the demand for steel continues to be released. However, the uncertainty of international logistics such as the lack of shipping space and the soaring freight caused by lack of containers has increased the complexity of receiving orders in the market.



Future Outlook

- The United States actively promotes domestic infrastructure construction, which is expected to boost future steel demand. In order to achieve the goal of carbon neutrality, steel production capacity in the world is under effective control, and future steel prices are likely to rise but not fall.
- The Covid-19 vaccine is being used around the world one after another. Although it can help curb the spread of the epidemic, the uncertainty of virus mutation will inevitably impact the economic activities of various countries and indirectly affect the release of downstream demand.



PART

04

Cooperate Social Responsibility (CSR)

Provide Friendly Working Environment and Employee Benefits

Friendly Working Environment

- (1) Well leave system
- (2) Parental leave system
- (3) Job opportunities guarantee for disabilities
- (4) Have a sexual harassment prevention system
- (5) Establish various line communication
- (6) Provide comprehensive functional education and training

Various Employee Benefits

- (1) Intimate welfare
- (2) Well group insurance system
- (3) Discounts with various contract stores
- (4) Discount with E-United Group Service
- (5) Health check
- (6) Employee health care

Health Seminar (Kangshan)



Health Seminar (Pingnan)



Discounts with E-United Group & contract stores



Physician's worksite visit



Participate Actively in Community Activities and Charity

- Community environmental cleaning activities: twice a month, 15 times in Kangshan and 14 times in Pingnan this year.
- Building good neighborhoods and sponsor community activities.
- Public welfare activities: River Patrol participates twice a month



Water Environment Patrol Service Award



Roads cleaning in Pingnan Industrial Area



50 participants parent-child radish pulling activity



18 participants in the dengue environmental clean-up activities against epidemics. Cleaning range is 2.5 kilometers in Baimi community.



Committed to Environmental Protection –Energy Saving and Carbon Reduction

Energy Saving Performance

- To implement the 1% power saving requirement for major energy users, YH actively promote the improvement of various equipment and updates products with energy-saving marks, and adjusts the process conditions to achieve energy-saving requirements, with the spirit of environment sustainability.

- Power saving performance in 2020

Kangshan plant saves 266,000 kWh of electricity.

Pingnam plant saves 427,537 kWh of electricity.

In terms of CO2 emission reduction, the total of the two plants is approx. 353 tons of CO2 emissions.

(Base on the 2018 electricity carbon emission coefficient of the Energy Bureau of the Ministry of Economic Affairs, one kilowatt- hour of electricity emissions 0.509 kg CO2 e/degree calculation.)

Air Pollution Reduction Activities

- Renovation of the fuel system of the heating furnace at the Pingnan plant is expected to change the fuel from heavy oil to natural gas in the fourth quarter of this year.
- The CO2 emissions per ton output of the wire rod coils are respectively: 74 kg CO2 for heavy oil and 62 kg CO2 for natural gas, which reduces carbon emissions by 16.22%.
- At full capacity, the conversion of heavy oil to natural gas is estimated to reduce CO2 emissions by approx. 3,600 tons, which is equivalent to planting 7,742 40-year-old trees.
(According to the research data of the Environmental Quality Culture and Education Foundation, the annual carbon dioxide absorption of 40-year-old trees is about 465kg)



The End

~ Thank you ~