YIEH HSING

燁興企業

2024

2nd Investor Conference

Stock Code：2007

目錄 CONTENTS

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.

https://mops.twse.com.tw/mops/web/index

01

Company Overview

公司簡介

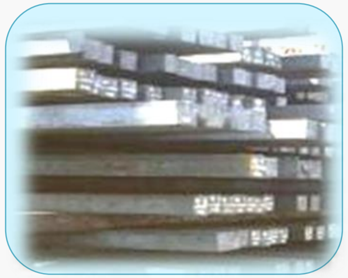
Introduction

- Time Establishment：July 18, 1978
- Capital Investment：5.3 billion
- Chairman：Lin-Maw Wu
- President：Robert Sen-Long Chen
- Stock Time to Market：Oct. 4, 1988

Wire Rod Manufacturing Process

Raw Material

Billet



Carbon

Stainless

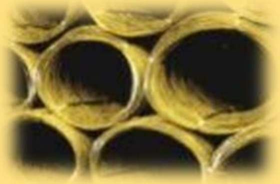
Rolling

Reheating Furnace

Rolling

Finishing Products

Carbon Steel Wire Rod



Carbon Steel series
Alloy Steel series
Freecutting Steel series

Annealing and Pickling

Annealing

Pickling

Finishing Products

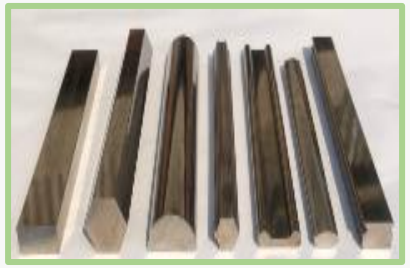
Stainless Steel Wire Rod

200 series
300 series
400 series
Welding series

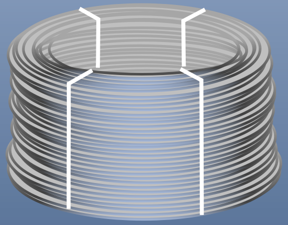
Application of Wire Rod

Stainless
Spring Wire

Stainless
Welding Steel



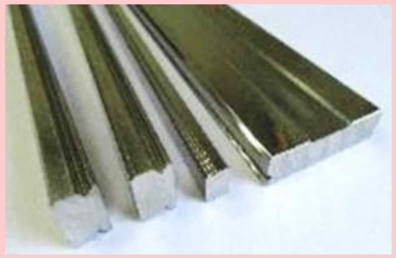
Profiles
&
Polish Bar



Stainless
Fine Wire

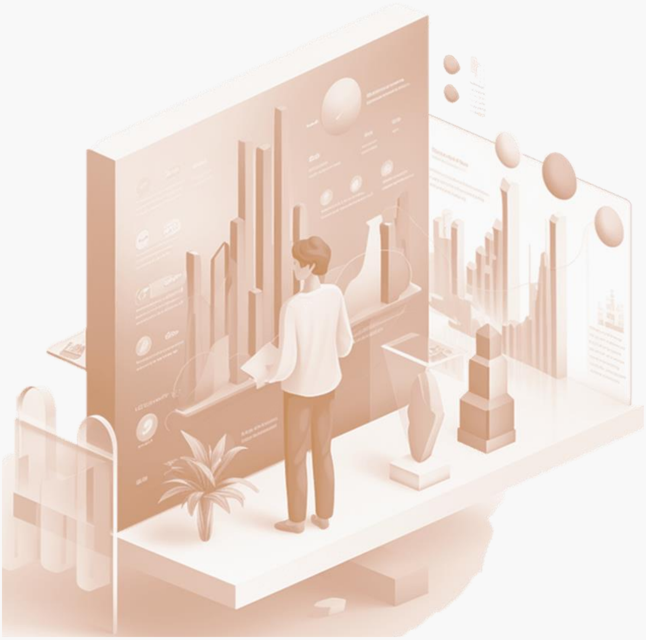
Spoke Wire

Machinery
–
Stainless Linear



Bolt & Nuts

Various Certification



Quality Certification

- EU AD2000 W0
- Japan JIS G 4308
- India ISI FMCS
- EU PED
- ISO 9001

Other Certification

- ISO 50001(Energy Management Cert)
- ISO 14001(Environment Cert)
- ISO 45001(Industrial Safety and health Cert)

02

Operating Performance

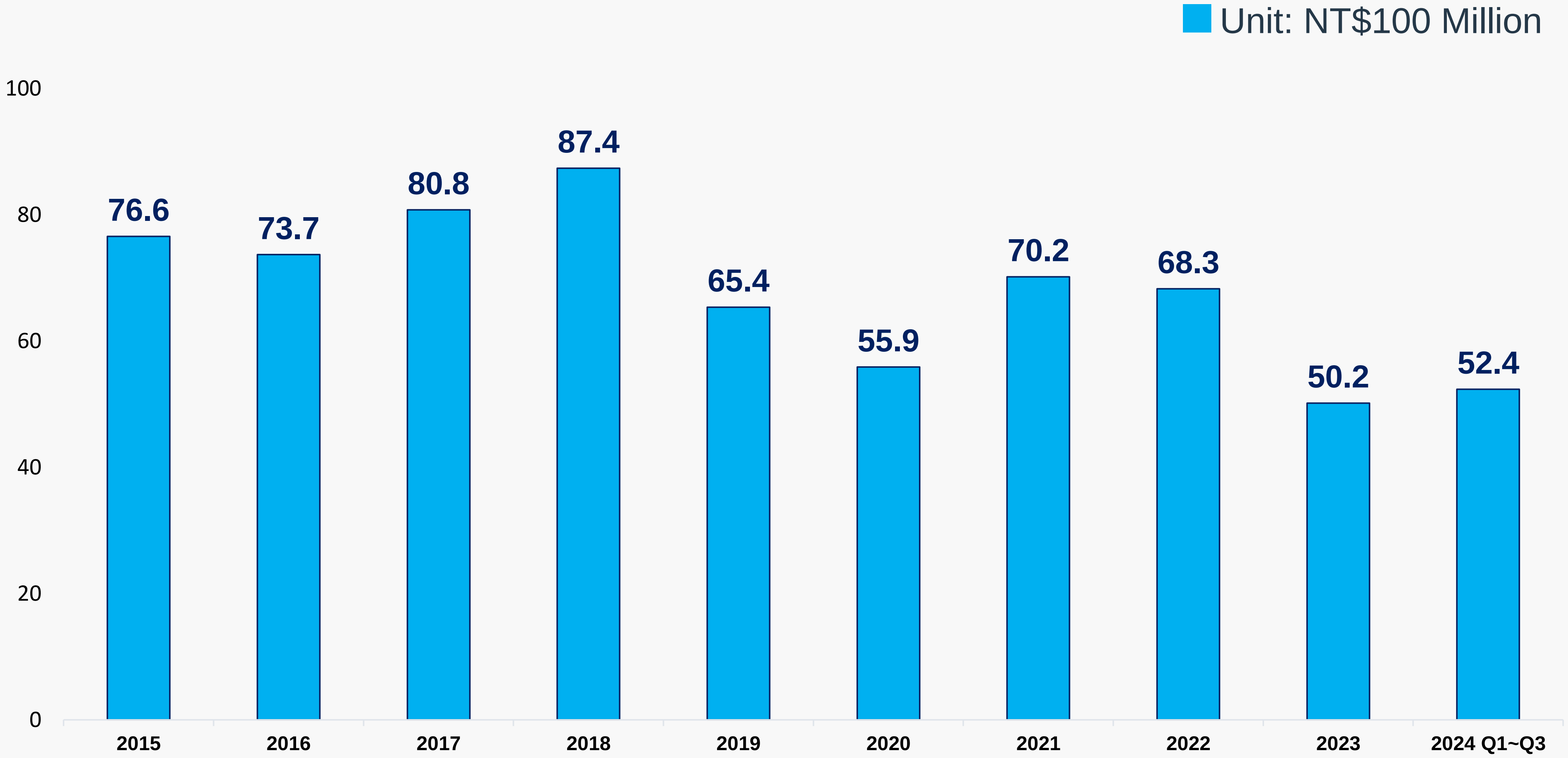
營運概況

Consolidated Profit and Loss Statement

Amount Unit：NT$ thousand dollars

Item \ Year	2024 Q1~Q3	2023 Q1~Q3	2023
Operating Revenue	5,243,030	3,796,049	5,015,149
Gross Profit (gross loss)	(367,101)	(297,347)	(467,671)
Net Operating Income (profit / loss)	(516,781)	(427,353)	(640,310)
Net profit (net loss) before tax	(813,262)	(688,690)	(982,827)
Earning per Share (dollars)	(1.54)	(1.30)	(1.85)

Revenue Over The Year



Major investment plan

YH will invest approx. 1.05 billion NTD to establish Pickling Mill in Pingnan. Major purchases include: annealing furnace, pickling line and quality inspection and packaging line etc.....

03

ESG Sustainability Report

ESG永續發展

Energy Saving and Carbon Reduction Achievements

Ministry of Environment~ Greenhouse Gas Verification

Kangshan Steel Rolling Mill has completed the greenhouse gas verification in 2023 and 2024 in accordance with ISO 14064-1:2006 inventory operation guidelines and logged it into the Environmental Protection Agency operation platform.

FSC~Greenhouse Gas Confirmation

Yieh Hsing has completed inventory inspections in accordance with ISO 14064-1:2018 specifications, and entrusted accountants to complete greenhouse gas limited assurance in 2024.

Implement ISO 50001

1.Continue to promote ISO 50001 energy management

2.Cooperate with large electricity consumers to save 1% of electricity.

3.The expected electricity savings for the year 2024 is 2.35 million kilowatt-hours.

Build Renewable Energy

1.Build 1,600kWp solar power generation on Dec. 2023 in Pingnan Mill.

2.The cumulative actual electricity generation from Jan. to Nov. 2020 is as follows: 2,035,330。

3.It is expected that the second phase of solar energy construction is planned for generation of over 2,000kWp.

Energy Conservation and Carbon Reduction Achievements were Awarded

2024 Excellent Award for Net Zero Industry Competitiveness

(Awarded by the 21st Century Foundation)

2024 Carbon Competitiveness Award

(Awarded by Business Week)

Yieh Hsing 2050 Net Zero Emission Path Planning

From 2018 to 2025, a total decrease of 7% is expected

From 2026 to 2035, a total decrease of 20% is expected

Net Zero (Net Zero) completely offsets carbon emissions through carbon-free fuels, carbon capture/storage, or purchasing carbon credits.

Target net zero emissions by 2050

Improve energy efficiency
- Optimize process conditions
- Improve product yield
- Optimization of combustion control
- ISO 50001 introduction

Replacing equipment and purchasing energy-saving equipment
- Pingnan heavy oil to natural gas
- Waste heat recovery (ORC power generation)
- Purchase IE3 motor
- Purchase energy-saving label equipment (LED lamps, pumps, etc.)
- Use frequency converter to control
- Regenerative combustion system

Build renewable energy
- Construction of 1600kW solar energy

Introduce carbon footprint/carbon inventory in 2023

- **Buy low-carbon raw materials**
- **Buy Carbon Neutral Natural Gas**
- **Purchase green energy** (wind power/ photovoltaic)
- **Expand the construction of renewable energy**
- **purchase carbon credits**

- **Introduce CCUS technology** (Carbon capture, carbon utilization and carbon storage)
- **Import hydrogen energy to reduce carbon**

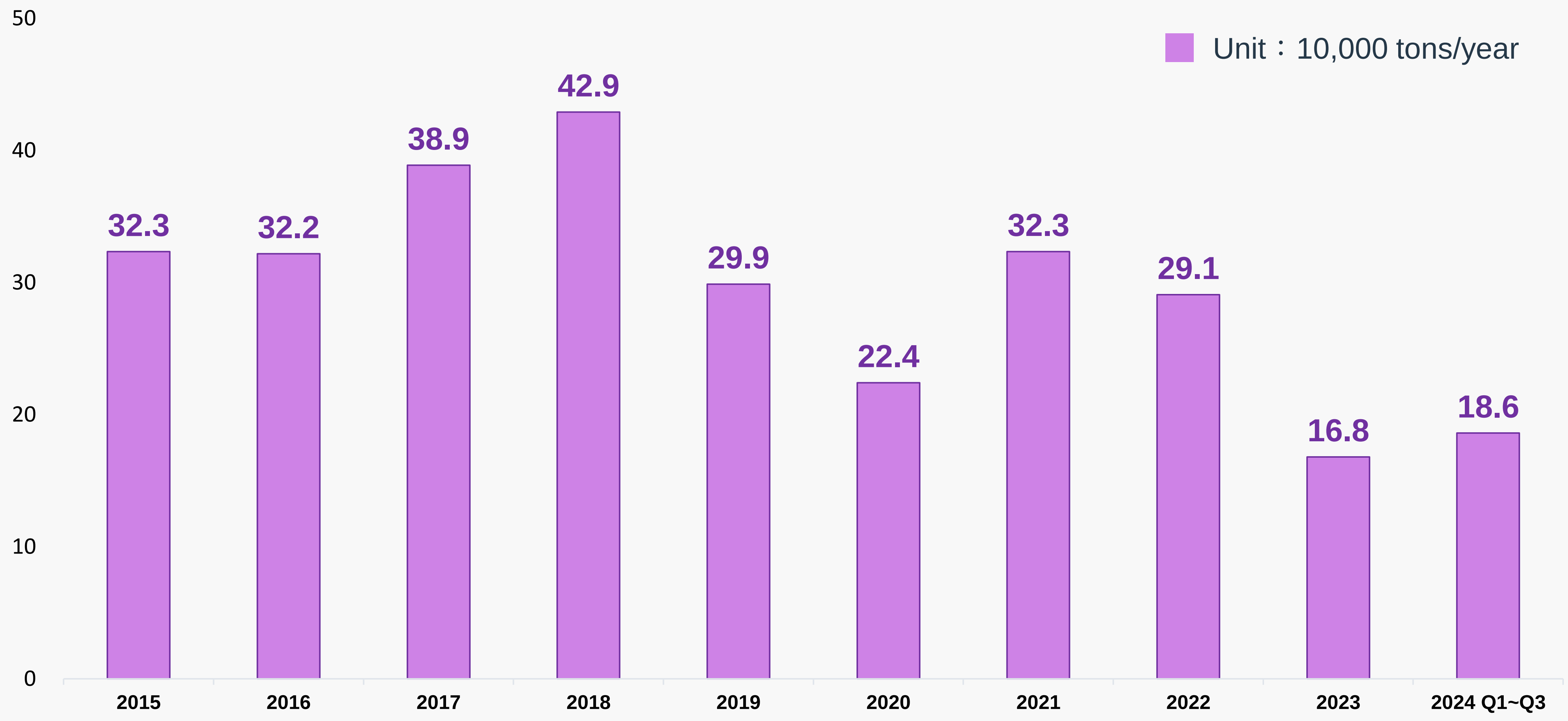
2018 (base year) | 2025 | 2035 | 2050

04

Market overview & Future Outlook

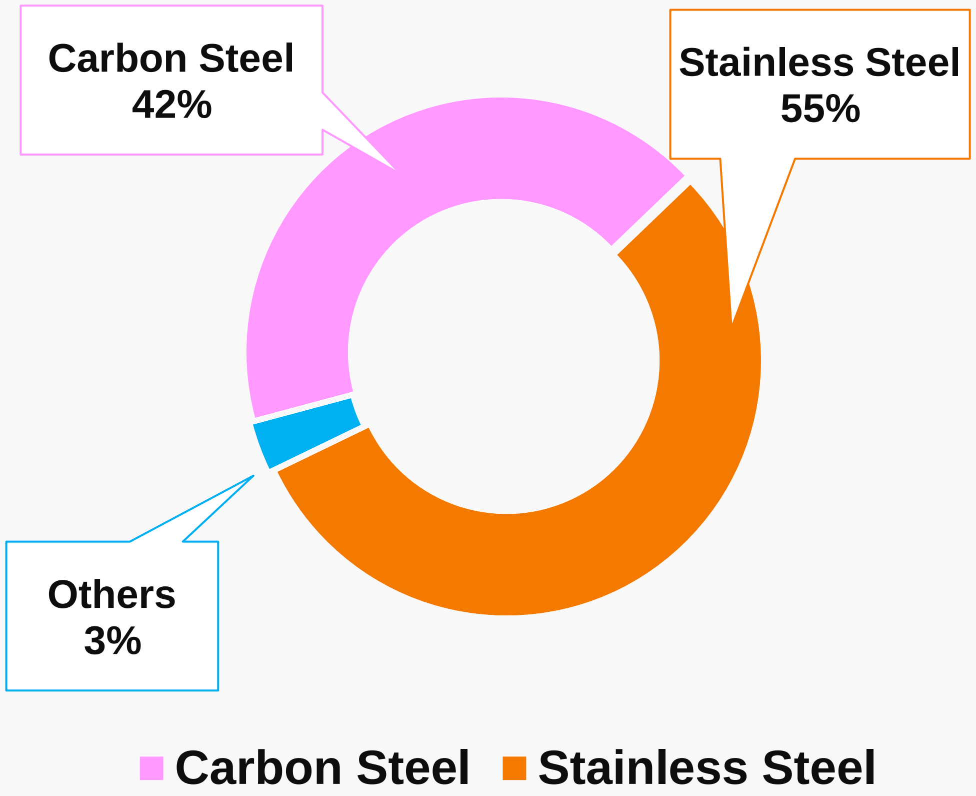
市場概況與未來展望

Production Changes Map Over the years

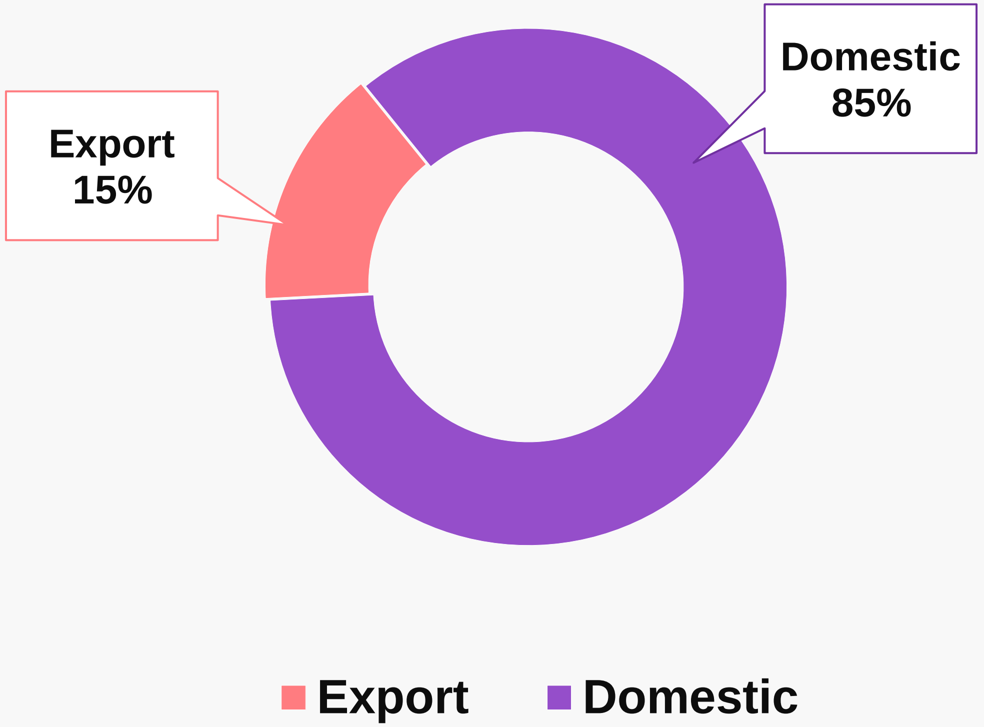


Revenue Distribution

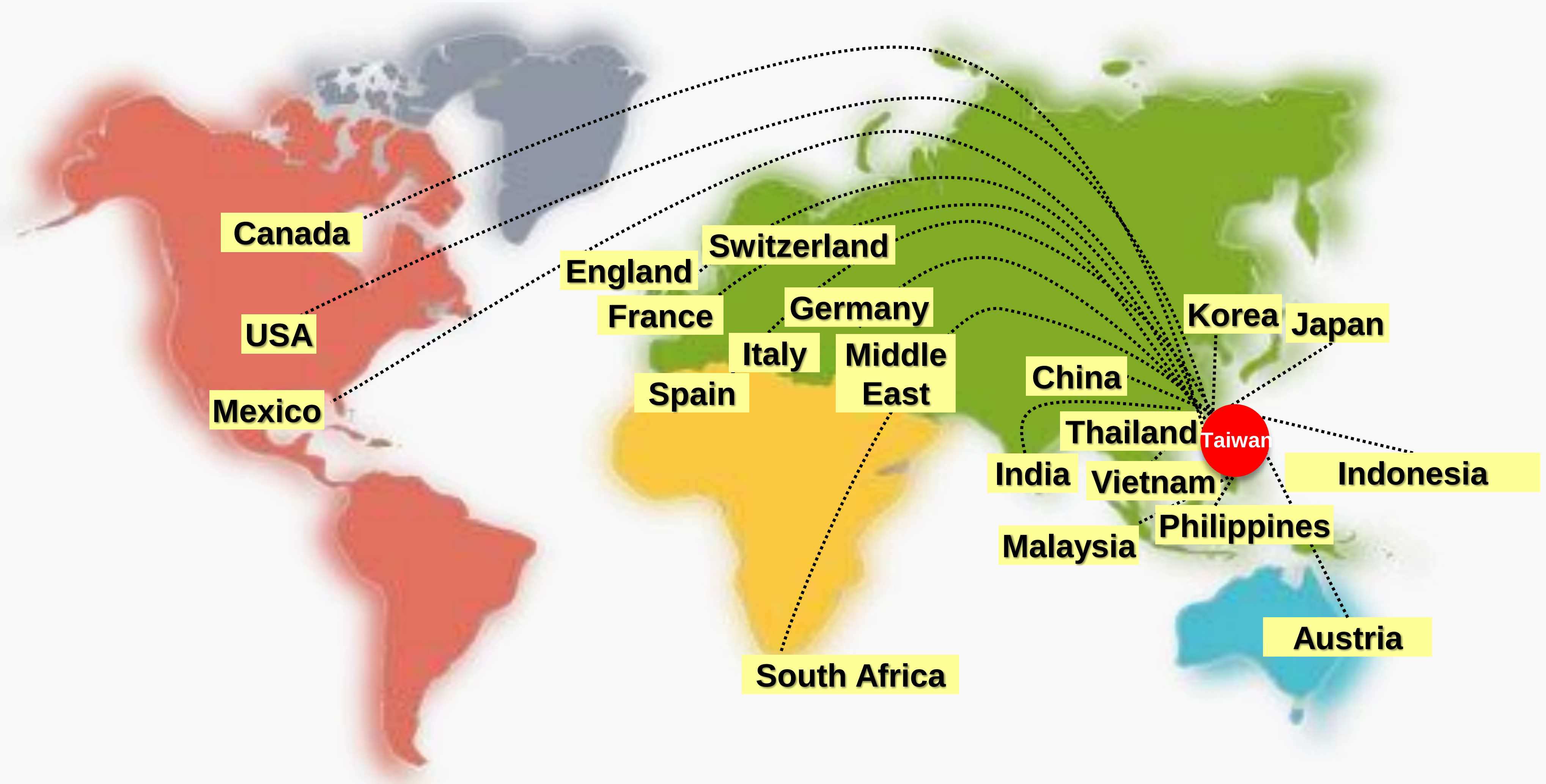
2024 Q1~Q3 Revenue Proportion



2024 Q1~Q3 Revenue Proportion



Sales Area Distribution



Market Overview

1.The price of raw materials continues to fluctuate, the market trend is unclear,and the new year is approaching, the downstream mentality is conservative, and the pace of procurement demand has generally slowed down.

2.After Trump’s election, the market is worried about the increased risk of trade war. The war between Russia and Ukraine and the Middle East are under the influence of geopolitics. Customers have a wait-and-see mentality. The release of demand has slowed down.

3.Steel demand in China continues to be sluggish，the phenomenon of low prices continues to affect market confidence.

Future Outlook

1. The World Steel Association released its steel demand forecast on April 14, global steel demand will rebound by 1.2% in 2025, reached to 1.772 billion tons. However, China’s property market remains sluggish. China’s measures to boost the economy , whether China’s steel surplus can be curbed , follow-up observations are still to be seen. In addition to the World Stainless Steel Association announced on Oct. 9，In 2025 the global stainless steel is expected to grow by 3%.

2. Trump’s election has sparked fears of a resurgence of the trade war, follow-up attention focus on Trump’s taking office, the change of FED interest rates lower range, Russia - Ukraine War status, duty increase, geopolitics is facing reshaping. which will drive global supply chain changes and market attention.

05

Question and answer

Q & A

Thank you

~感謝貴賓蒞臨~