

 華榮電線電纜股份有限公司

# HUA ENG WIRE & CABLE CO., LTD

## Q3 Investor Conference

### November 15, 2023





# Disclaimer

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- **The presentation of information in this briefing is based on the Company's assumption of future operations that are forward-looking and is subject to risks and uncertainties and the results of actual operations may differ materially from those of the above-mentioned forward-looking statements.**
- **Except as required by law, the Company undertakes no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise.**



# Agenda

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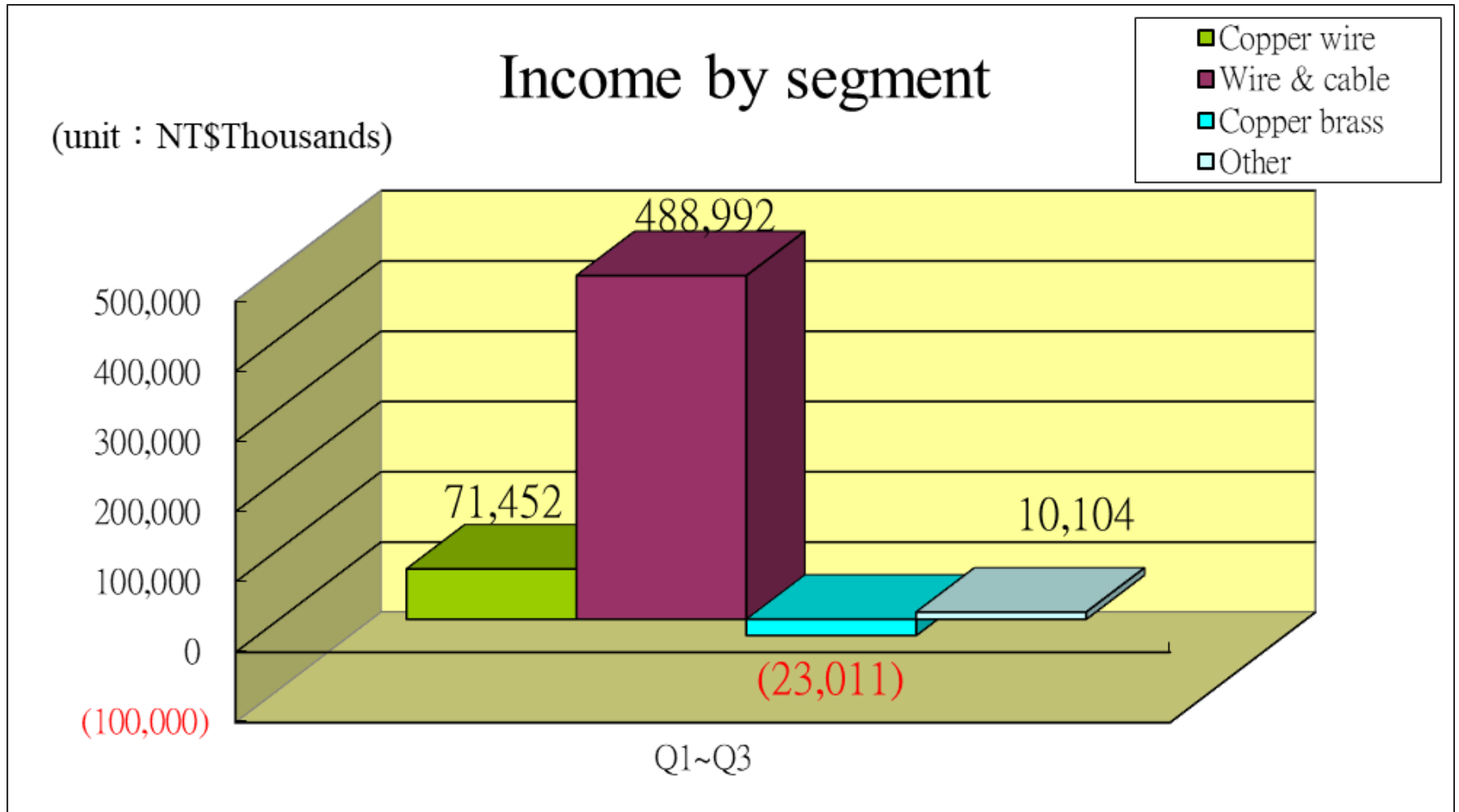
- **Consolidated Income Statement**      **P4~5**
- **Copper Price Trend**      **P6**
- **Sales Market**      **P7~9**

# Consolidated Statements of Comprehensive Income - YoY: 9 Months

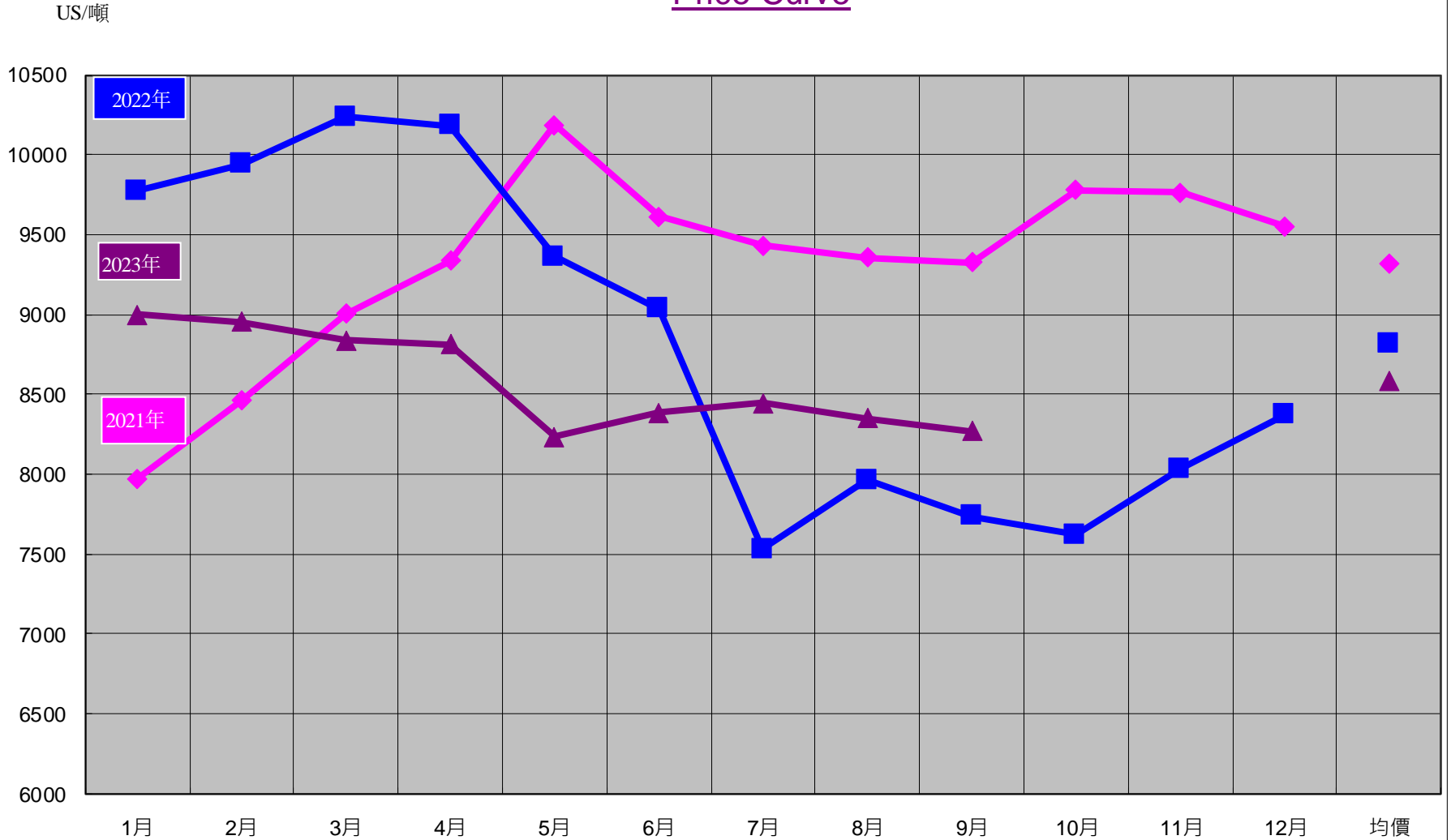
Item	2023		2022		Change %
	Q1~Q3	%	Q1~Q3	%	
Operating revenues	7,187,308	100	8,321,072	100	(14)
Gross profit	505,690	7	368,492	4	37
Operating income	363,964	5	226,607	2	61
Non-operating income & expenses	391,565	5	(225,426)	(2)	274
Profit before income tax	755,529	10	1,181		63,874
Income tax expense	91,042	1	99,852	1	(9)
Profit(loss)	664,487	9	(98,671)	(1)	773
Profit(loss) attributable to :					
Owners of parent	652,588	9	(210,117)	(2)	411
Non-controlling interests	11,899		111,446	1	(89)
Basic earnings per share(NT\$)	1.54		(0.50)		

Note : As of Sept. 30, 2023 and 2022 , Weighted-average number of common shares outstanding(shares in thousands) held 424,210

# Reportable segment profit



2021 Jan.~2023 Sep. LME Monthly Avg. Price and Annual Average Price Curve



# Sales Market

## Copper Rod

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- LME copper price is suppressed by the Fed's sharp interest rate hike and shrinking balance sheet to defeat inflation rate. Also, Russia-Ukraine & Israeli-Palestinian conflicts could cause energy crisis, however the U.S.-China trade conflict and China's economic slowdown have put pressure on copper prices. HE controls and adjusts inventory to achieve stable profits.
- Demand for copper in Electric vehicles and green energy storage industries are increased dramatically. Hence improving the quality of oxygen-free copper to meet domestic and foreign market demand.



# ■ Power Cable

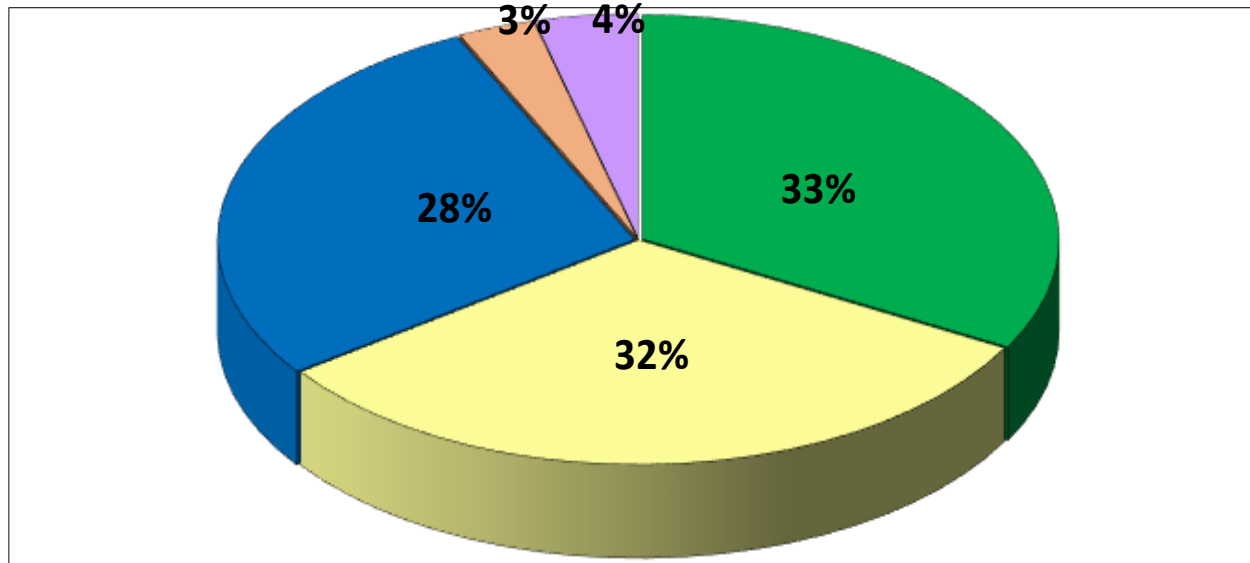
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- In order to strengthen the construction of power grid resilience, the state will invest 560 billion NTD in the next 10 years to strive for the stability of distributed power grid power supply. Our 345kV/161kV ultra-high voltage cables are produced ahead of schedule to increase profits
- Update medium voltage instrumentation and control equipment, strengthen cable production line, stable supply of raw materials, expanding the competitiveness of the wind energy storage market.
- Continue to obtain rubber and petrochemical construction wires for power plants, special armored and certified EN PV cables.
- Update extrusion machine equipment, PVC extruder uses AI assistance, improving power cables product efficiency for construction sector and reduce costs



## ■ Communication Copper Cable and Fiber Optic Cable

- In recent years, global mobile and fixed-line broadband and AI artificial intelligence have become the competitiveness of national digital development. HE stabilizes the source of optical fiber and provides domestic telecommunications network 5G development needs.
- Develop mesh and thin-diameter high-fiber-count optical cables and prepare for future innovative applications.



**Product sales portfolio**

