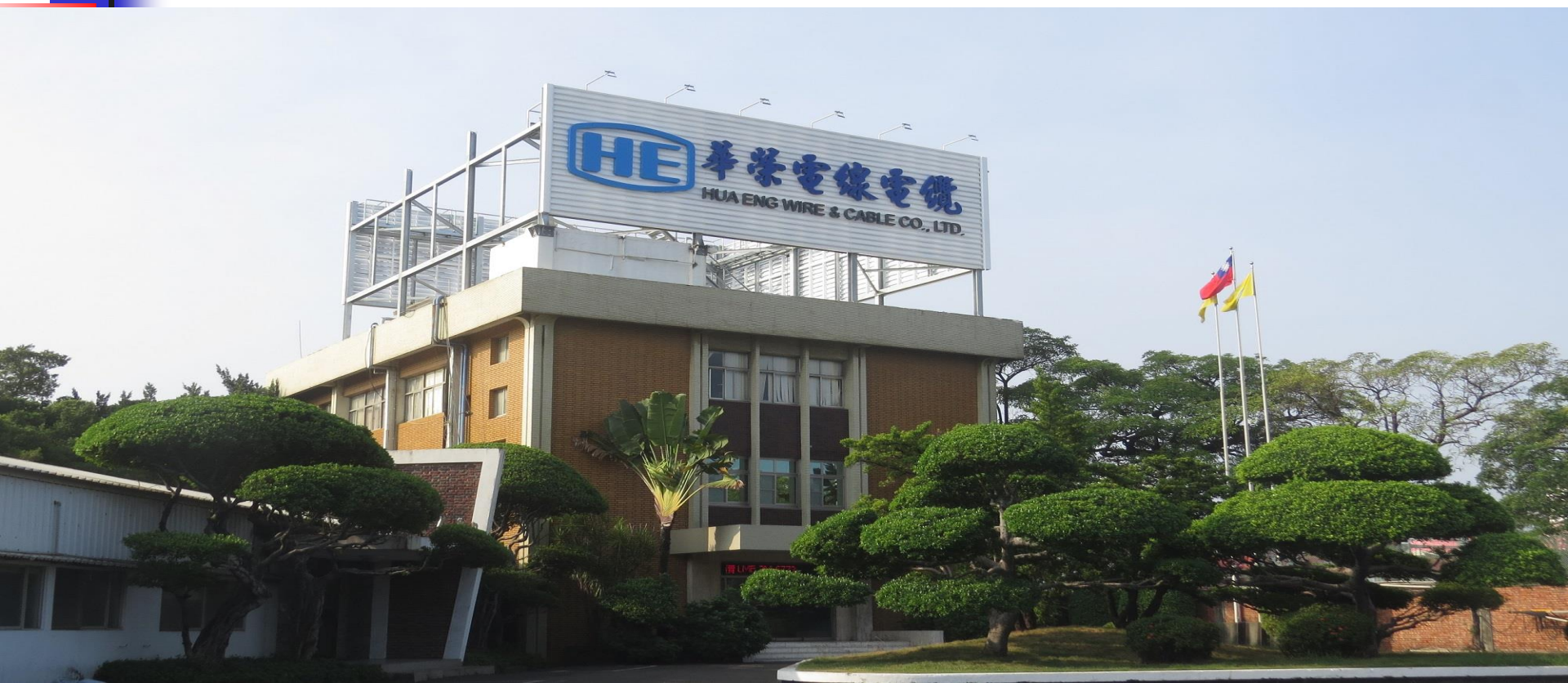


 華榮電線電纜股份有限公司

HUA ENG WIRE & CABLE CO., LTD

Q2 Investor Conference

August 22, 2024





Disclaimer

- 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.

Company Profile

- Hua Eng has been established since the foundation was laid on December 8, 1956, until now. Not only have we grown together with Taiwan for more than a decade, during this period, it also encountered many natural disasters and turbulent political and economic environments at home and abroad. Looking back at the early days of the establishment, we worked hard and accumulated achievements with every bit of blood and sweat, and gradually laid the foundation for the current results. In addition to the hard work and dedication of all employees of the company, we also want to express our sincere gratitude to the shareholders and customers who have always supported Hua Eng.
- HE Group has three core business departments including oxygen-free copper wire, wire and cable and turnkey projects. We have a complete product line of oxygen-free copper and various types of power cables and communication optical cables. We adhere to state-of-the-art wire and cable manufacturing technology and continue to respond to customer needs through innovative research and development.
- Through design, production, deployment and construction, and a consistently good quality management mechanism, we provide domestic and foreign customers with prompt and high-quality products and after-sales services ; especially in the field of turnkey projects, we have a strong technical team. In recent years, we have successively received large-scale 161kV and 345kV cable turnkey projects from Taiwan Power Company, and our outstanding performance has been highly recognized.
- Looking forward to the future, Hua Eng will continue to cooperate with the resilience construction of the national power grid and the demand for green energy, grasp the evolution of industrial technology, adjust the scale and pace of operations, and review the development trends of electric vehicles at home and abroad. On the basis of consolidating the existing business, Hua Eng will strengthen research and quality We will continue to improve, market-oriented and continuously innovate, train outstanding technical talents, and create a new era of glory and development for all shareholders who love Hua Eng.



Agenda

- **2024 Q2 Consolidated Income Statement** **P5~6**
- **Copper Price Trend** **P7**
- **Sales Market** **P8~17**

Consolidated Statements of Comprehensive Income - YoY: 6 Months

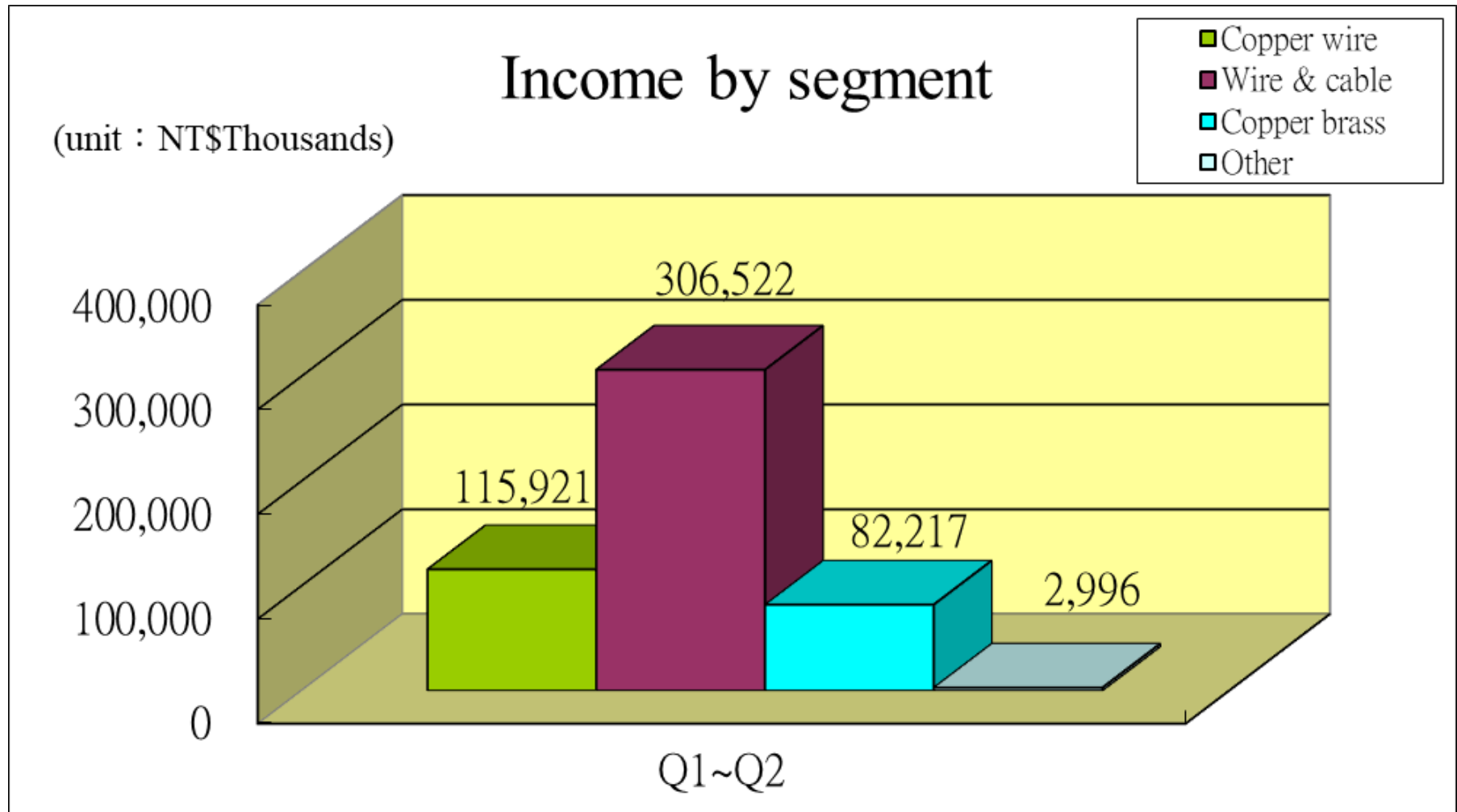
Consolidated Statements of Comprehensive Income – YoY: 6 Months

Unit : NT\$' 000

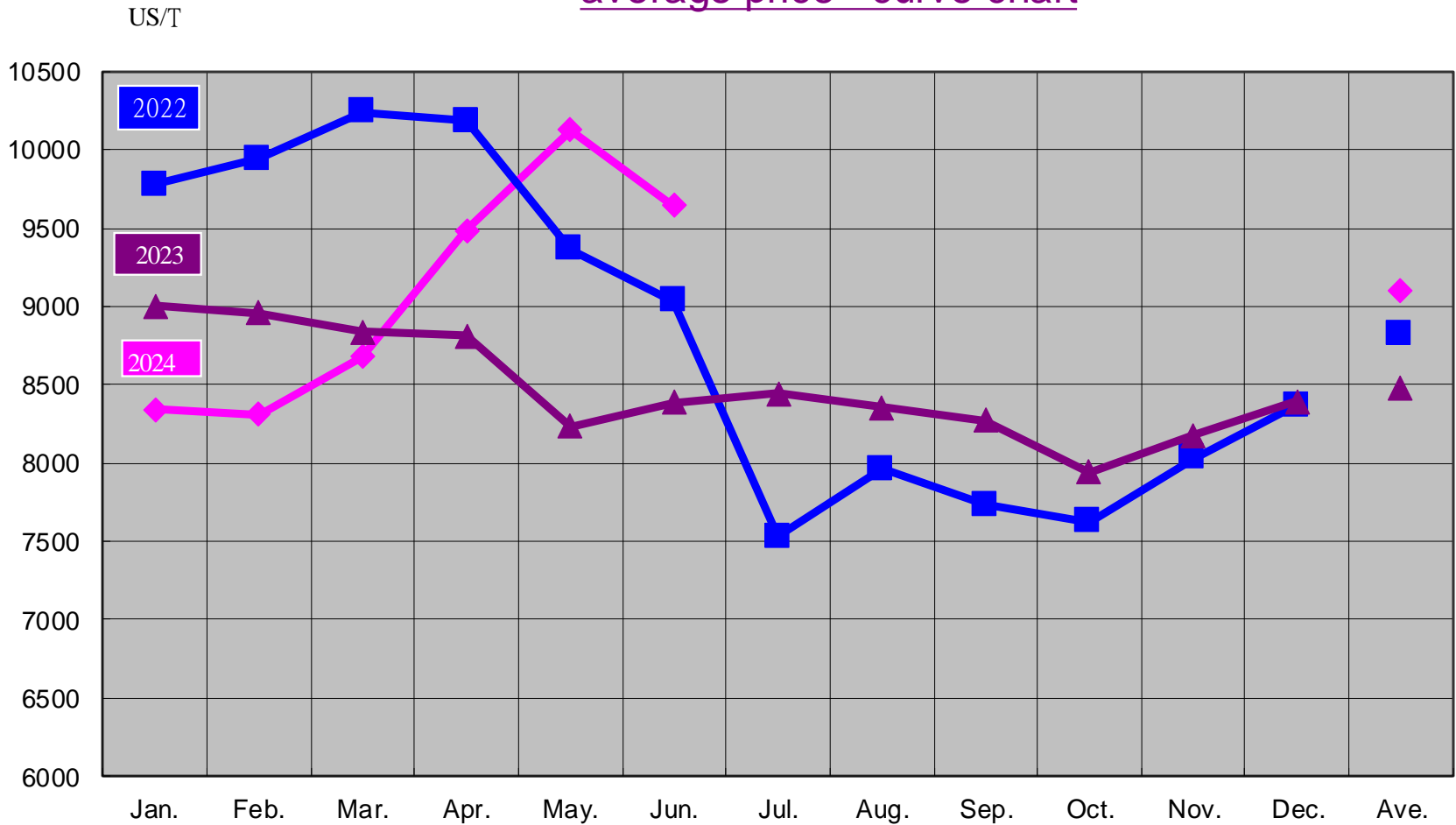
Item	2024 Q1~Q2	%	2023 Q1~Q2	%	Change %
Operating revenues	5,780,043	100	4,764,679	100	21
Gross profit	474,689	8	317,018	7	50
Operating income	366,650	6	224,047	5	64
Non-operating income & expenses	245,559	4	369,858	8	(34)
Profit before income tax	612,209	10	593,905	13	3
Income tax expense	74,480	1	45,784	1	63
Profit	537,729	9	548,121	12	(2)
Profit attributable to :					
Owners of parent	505,630	8	582,433	13	(13)
Non-controlling interests	32,099	1	(34,312)	(1)	194
Basic earnings per share(NT\$)	1.19		1.37		

Note : For the six-months periods ended June 30, 2024 and 2023 , Weighted-average number of common shares outstanding(shares in thousands) held 424,210

Reportable segment profit



2022~2024 JUNE LME copper monthly average price and annual average price curve chart

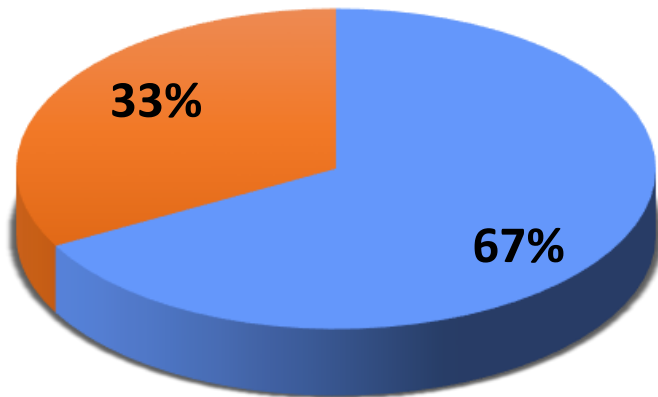


Business Market

■ Copper Wire

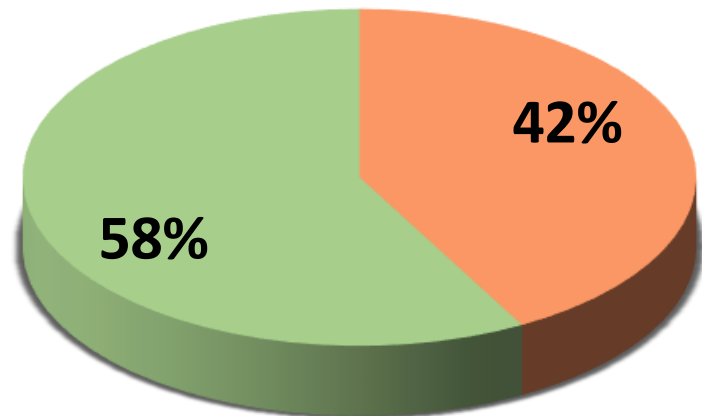
Main product categories	2024 Jan. ~ Jun.		2023 Jan. ~ June	
	Sales	Profit	Sales	Profit
Copper Wire	1,637,647	102,061	958,155	44,175

Copper Wire



■ 8.0mm above ■ 8.0mm below

Domestic and Export Sales Ratio



■ Domestic ■ Export

Sales Market

Copper Rod

- Federal Reserve Chairman Powell said, "The U.S. economy is moving towards stable growth, no longer overheating, and inflation has been improving. Substantial progress and more good data have been achieved. If the policy is tightened for a long time, it may weaken economic activity and employment" Interest rate cut is expected
- China's economy has slowed down and demand has weakened, but the global ore supply is still insufficient. TC/RC smelting and processing costs have reached a record low. Summer trading and volatility have weakened. The LME has pulled back from 10,129 US/T in May to LME: 9,393 US/T in July.

Sales Market



Copper Rod

- Taiwanese copper wires of 8.0mm~2.6mm are exported to China. The ECFA agreement is suspended from 6/15, and tariffs is restored to 2~4%, which will increase costs for some customers and affect Hua Eng's sales.
- Looking forward to the electric vehicle and green energy storage industries, the demand for copper is increasing day by day. Therefore, the company has upgraded its high-quality oxygen-free copper to meet domestic and foreign market demand.

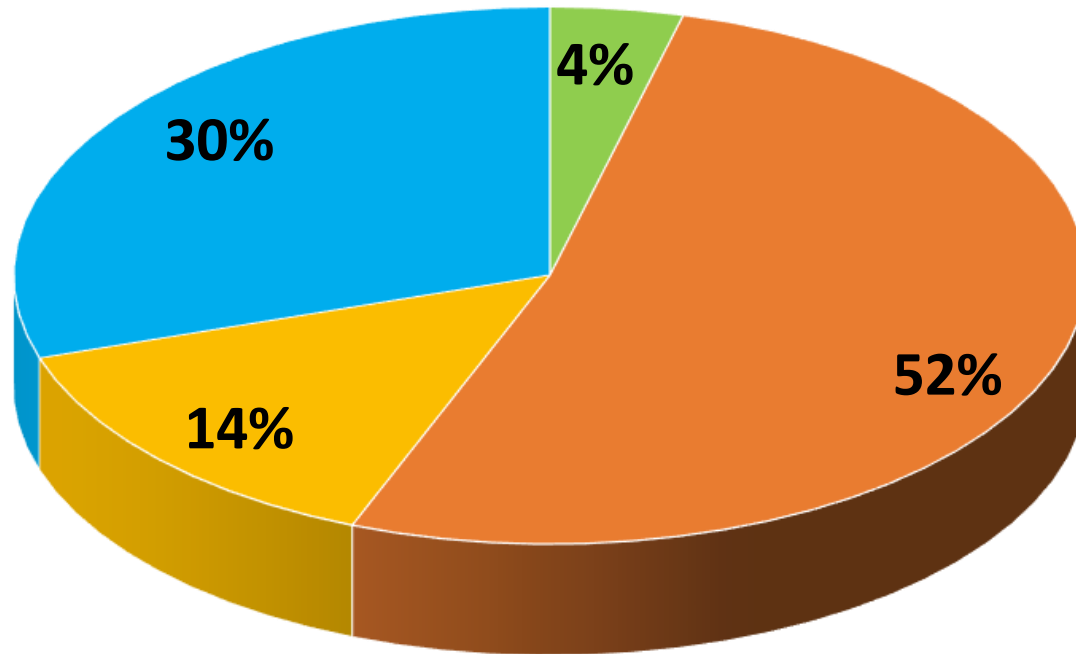


■ Power Cable

Main product categories	2024 Jan. ~Jun.		2023 Jan. ~Jun.	
	Sales	Profit	Sales	Profit
Rubber Cable	82,238	14,190	45,791	4,960
Low Voltage Power Cable	1,026,101	107,928	913,165	106,257
Medium Voltage Power Cable	281,553	36,614	306,789	47,822
Ultra High Voltage Power Cable	594,999	79,715	610,580	98,559

■ Power Cable

Power Cable



■ Rubber ■ Low Vol. ■ Medium Vol. ■ High Vol.



■ Power Cable

- Rubber cables: Due to the reconstruction of coal-fired power plants and the use of soft and fire-resistant rubber cables for new gas-fired power generation units, the company's technology has advantages, and the current orders total 151 million NTD.
- Low-voltage power cables: Manufacturing equipment has been continuously updated with electronic controls, new intelligent machines have been purchased, and new fire-fighting and fire-resistant cable machines have been evaluated to expand production capacity and improve production efficiency and competitiveness. The current profit is stable, and orders received are about 848 million NTD.



■ Power Cable

- Medium-voltage cables: Preparation for machine electronic control updates, equipment production capacity is sufficient, strengthening orders from the private market and has obtained annual new bids of 200 million NTD. The total contract value of medium-voltage cables is 1.2 billion NTD, 191 million NTD has been delivered, 226 million NTD is in production, and 780 million NTD has not been placed.
- In order to strengthen the resilience of the power grid, the country will invest 560 billion in the next 10 years to stabilize the decentralized power supply. The company's 345kV and 161kV ultra-high voltage cables are planned and produced in advance to increase profits.



■ Power Cable

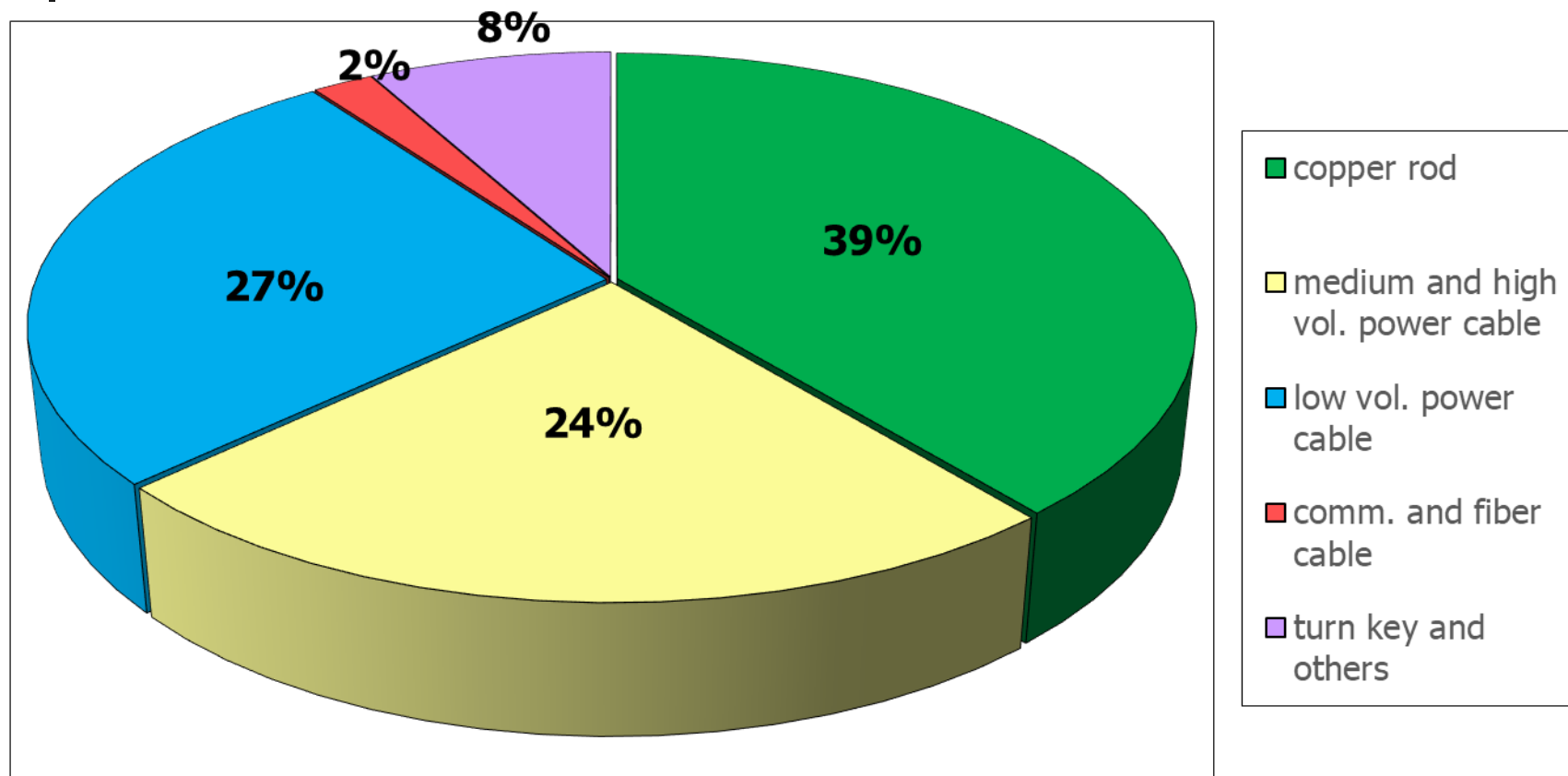
- Ultra-high voltage power cable: Accelerate the certification of the second supplier of 345kV high-voltage equipment, and win the annual bid.
- Ultra-high voltage production plan schedule: There will be more 345kV production orders in the second half of the year, which will be clear by the end of the year. The contract totals 9.2 billion NTD, of which 2.87 billion NTD has been delivered, 391 million NTD is in production, and 5.9 billion NTD has not been placed.

■ Communication Copper Cable and Fiber Optic Cable

Main product categories	2024 Jan. ~Jun.		2023 Jan. ~Jun.	
	Sales	Profit	Sales	Profit
Fiber Optic Cable	66,522	18,116	69,681	20,323

- In recent years, global mobile, fixed-line broadband and AI artificial intelligence have become the competitiveness of the country's digital development. The company has stabilized the source of optical fiber and provided domestic telecommunications network 5G development needs.
- As the supplier of the groove body is preparing to stop production, we are contacting other suppliers for cooperative development. And accelerate the development of new high-core mesh and thin-diameter optical cables ◦
- Obtained new trench optical cable contract of 34 million NTD last quarter ◦
- Chunghwa Telecom's optical cable contract totals 221 million NTD, and 100 million NTD has been delivered. 3 million NTD in production, 118 million NTD not yet placed order ◦

Various Product Sales Combination



Product Sales Combination