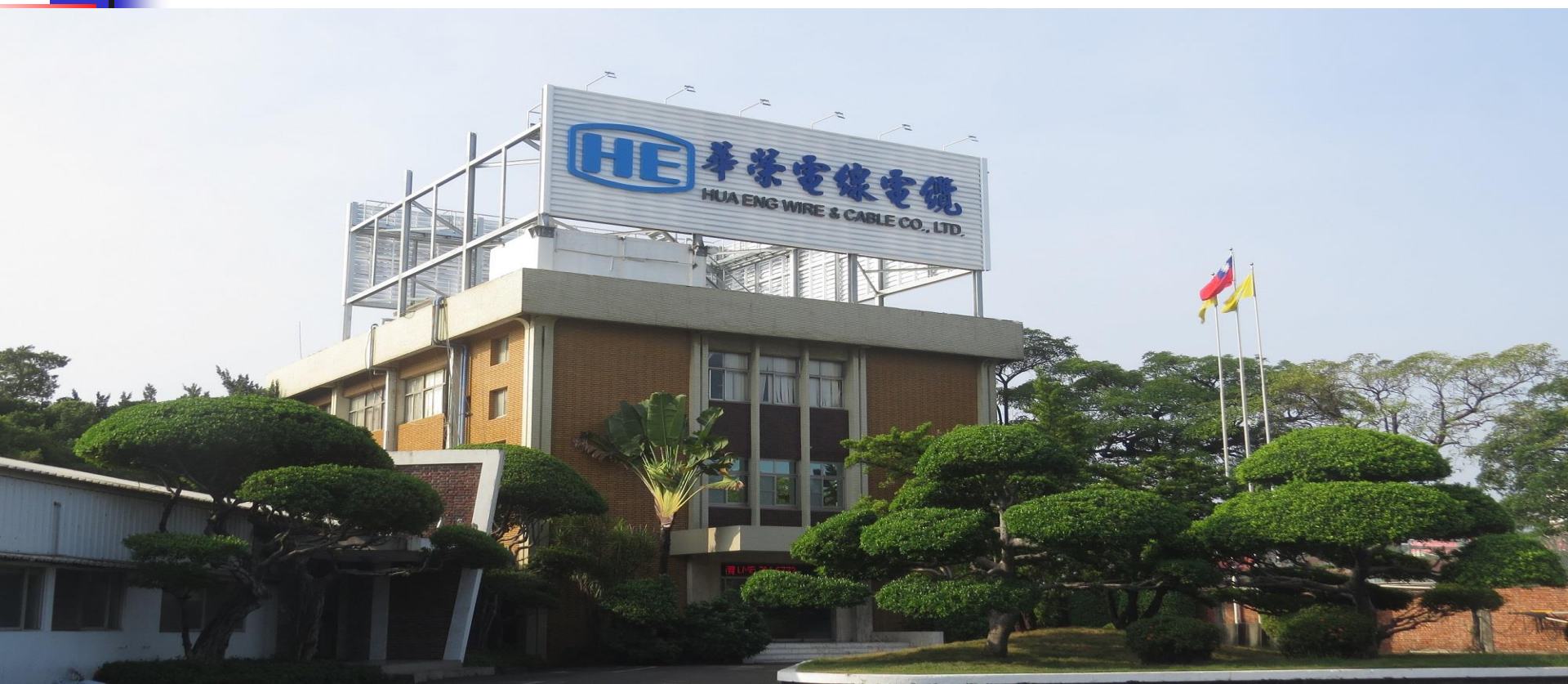


 華榮電線電纜股份有限公司

HUA ENG WIRE & CABLE CO., LTD

Q3 Investor Conference

November 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 Q3 Consolidated Income Statement** **P5~6**
- **Copper Price Trend** **P7**
- **Sales Market** **P8~17**

Consolidated Statements of Comprehensive Income - YoY: 9 Months

Unit : NT\$' 000					
Item	2024 Q1~Q3	%	2023 Q1~Q3	%	Change %
Operating revenues	8,654,503	100	7,187,308	100	20
Gross profit	728,851	8	505,690	7	44
Operating income	563,086	6	363,964	5	55
Non-operating income & expenses	311,106	4	391,565	5	(21)
Profit before income tax	874,192	10	755,529	10	16
Income tax expense	119,199	1	91,042	1	31
Profit	754,993	9	664,487	9	14
Profit attributable to :					
Owners of parent	591,563	7	652,588	9	(9)
Non-controlling interests	163,430	2	11,899		1,273
Basic earnings per share(NT\$)	1.39		1.54		

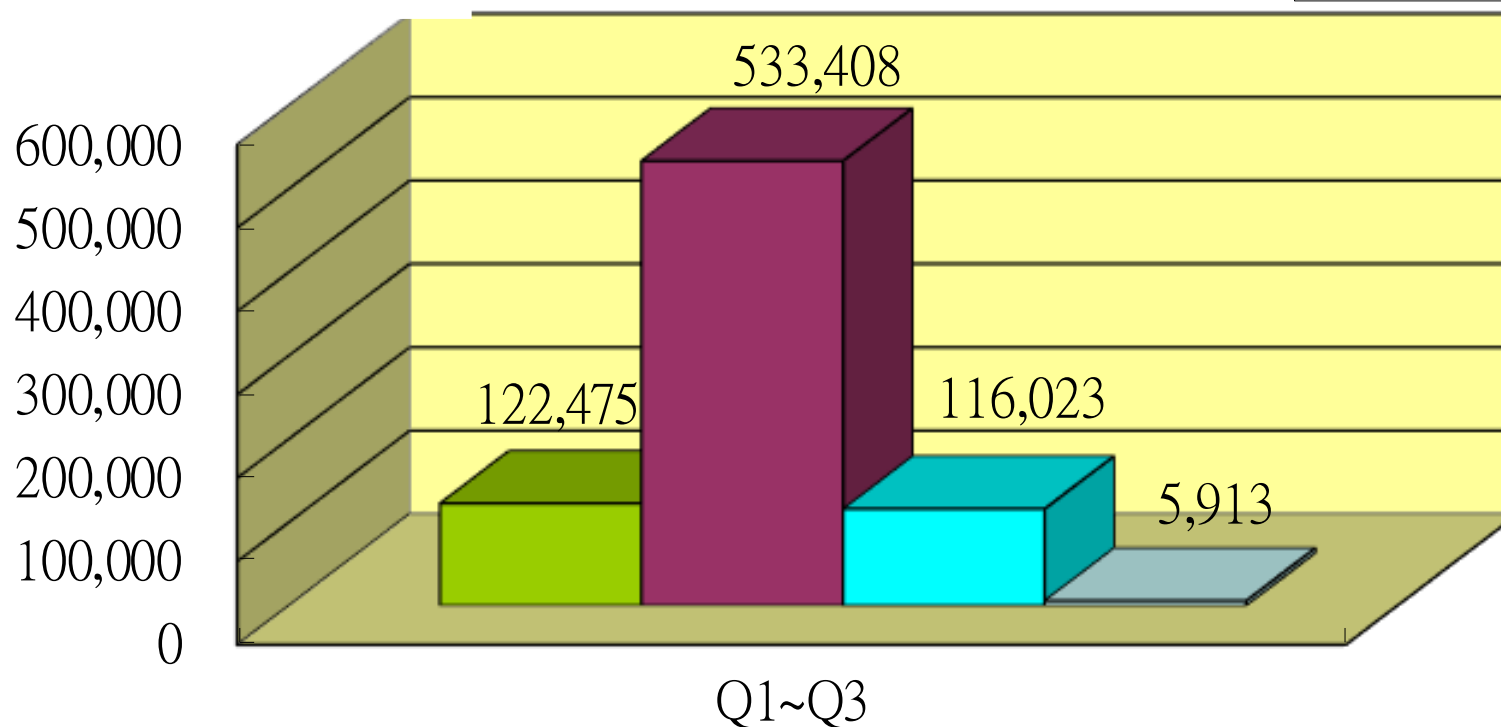
Note : For the nine-month periods ended Sep. 30, 2024 and 2023 , Weighted-average number of common shares outstanding(shares in thousands) held 424,210

Reportable segment profit

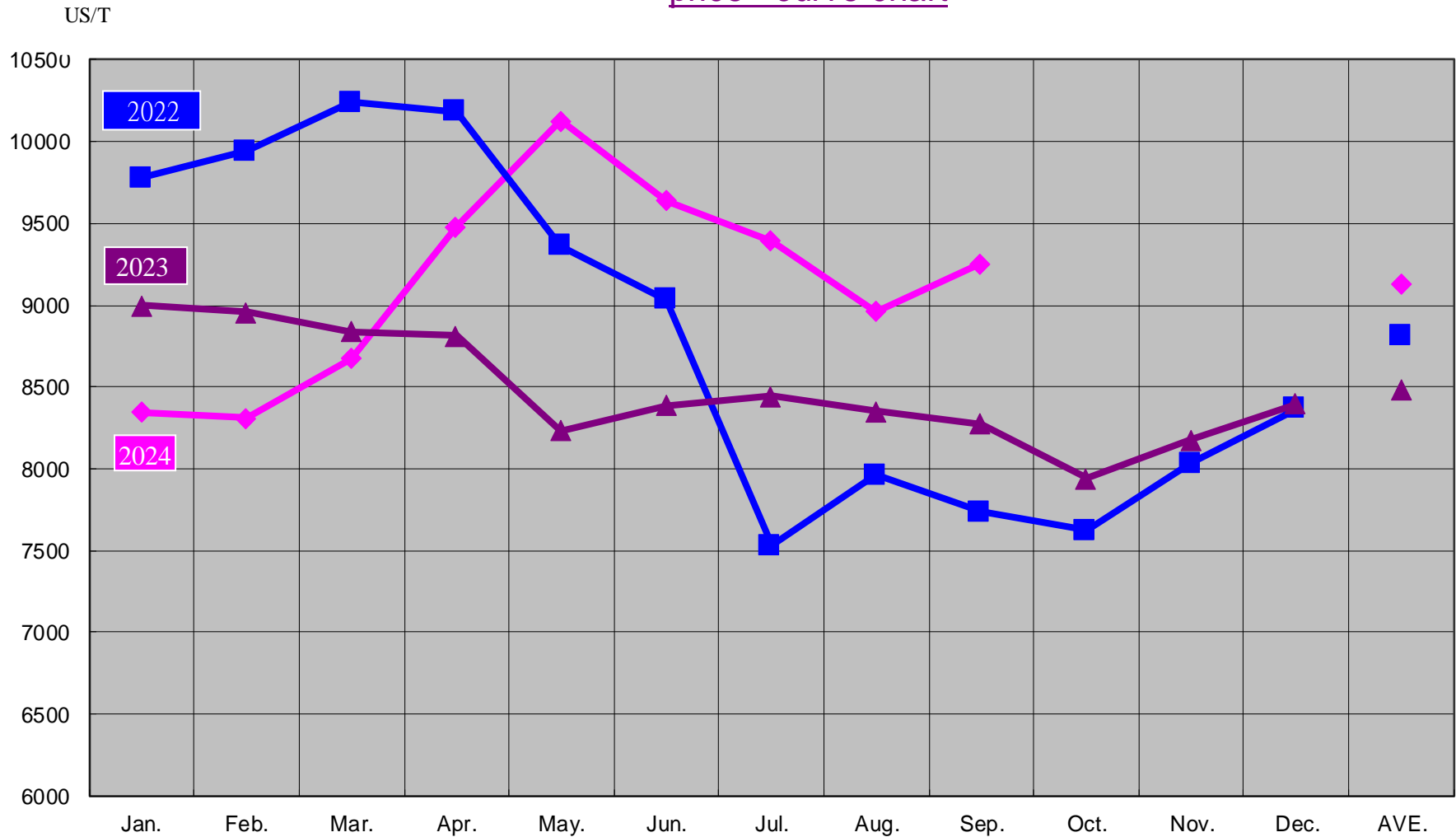
Income by segment

(unit : NT\$Thousands)

- Copper wire
- Wire & cable
- Copper brass
- Other



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

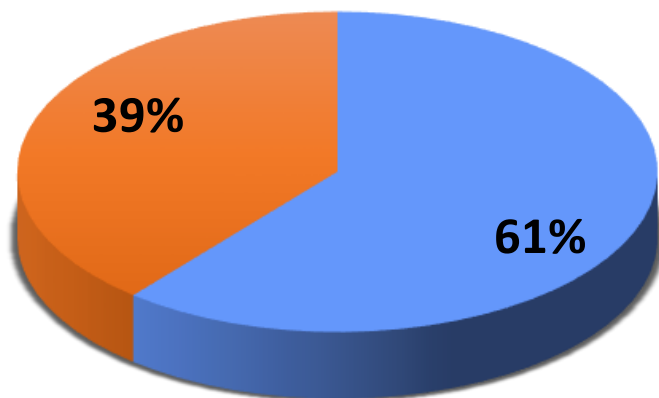


Business Market

■ Copper Wire

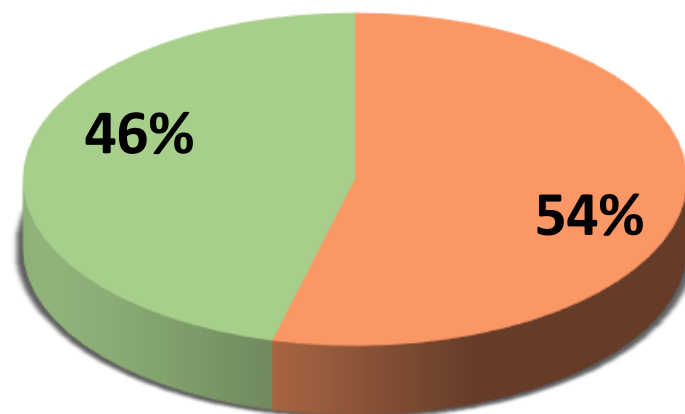
Main product categories	2024 Jan. ~Sep.		2023 Jan. ~Sep.	
	Sales	Profit	Sales	Profit
Copper Wire	2, 218, 579	100, 657	1, 430, 977	54, 025

Copper Wire



■ 8.0mm above ■ 8.0mm below

Domestic and Export Sales Ratio



■ Domestic ■ Export

Sales Market



Copper Rod

- LME copper price: The Federal Reserve finally cut interest rates by 0.5 percentage in September, starting a cycle of interest rate cuts and diluting concerns about recession. Copper prices stopped falling and surged to LME: 9,800 US/T, relieving the pressure on inventory prices.
- China's economy is slowing down, and the People's Bank of China has launched stimulus measures to "financially support high-quality economic development", which is also known as the Chinese version of quantitative easing.

Sales Market



Copper Rod

- Looking forward to the electric vehicle and green energy storage industries, the demand for copper is increasing day by day. Therefore, HUA ENG has upgraded its high-quality oxygen-free copper to meet domestic and foreign market demand.

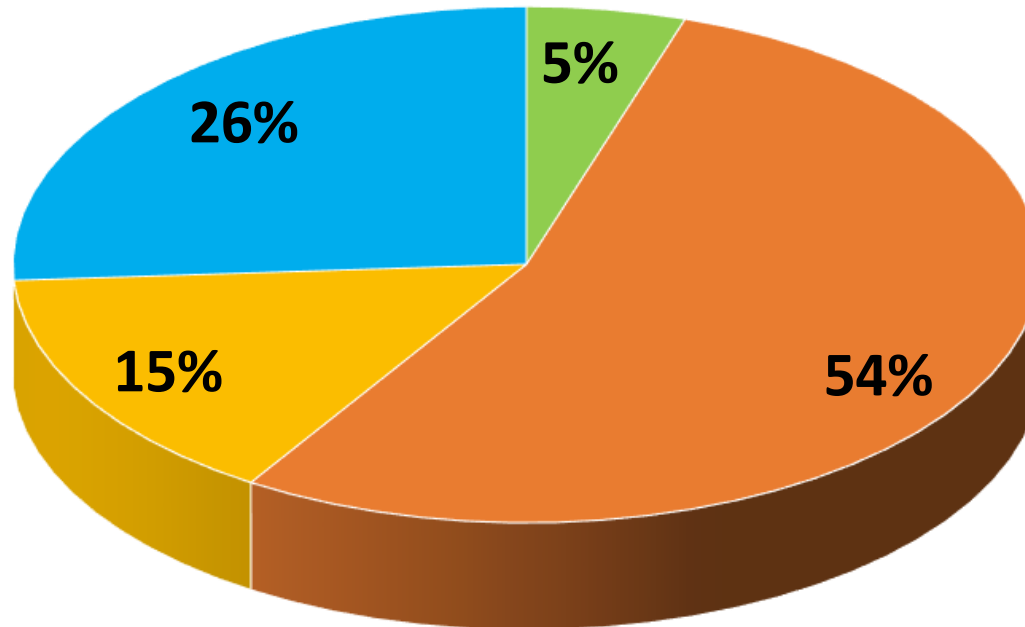


■ Power Cable

Main product categories	2024 Jan. ~Sep.		2023 Jan. ~Sep.	
	Sales	Profit	Sales	Profit
Rubber Cable	152,697	29,685	106,912	17,041
Low Voltage Power Cable	1,662,530	183,594	1,344,114	157,434
Medium Voltage Power Cable	470,596	80,665	465,103	65,276
Ultra High Voltage Power Cable	809,645	139,776	1,004,267	178,327

■ Power Cable

Power Cable



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



■ Power Cable

- ▣ Rubber cable: Thermal coal-fired generating units continue to be constructed. The company received an order of 87 million NTD from Tongxiao Power Plant this quarter, and the current total orders are 130 million NTD.
- ▣ Low-voltage power cables: Manufacturing equipment is continuously updated with electronic controls to expand production capacity and improve production efficiency and competitiveness. It is currently the most stable profitable product, with approximately 789 million NTD of orders received.



■ Power Cable

- Medium-voltage cables: Preparations are made for machine electronic control updates, equipment production capacity is sufficient, and orders for private factory construction cases are strengthened. The total medium-voltage cable contract is NTD 1.197 billion, of which NTD 278 million has been delivered, NTD 232 million is in production, and orders have not been placed for NTD 687 million.
- In order to strengthen the resilience of the power grid, Taiwan Power will invest NTD 560 billion in 10 years from 2023 to 2033, add 15 thermal power generating units, and develop 15.51 million kilowatts of power sources to strive for stable power supply in the decentralized power grid. The company's 345kV and 161kV ultra-high voltage Cables, plan production in advance for increasing profits



■ Power Cable

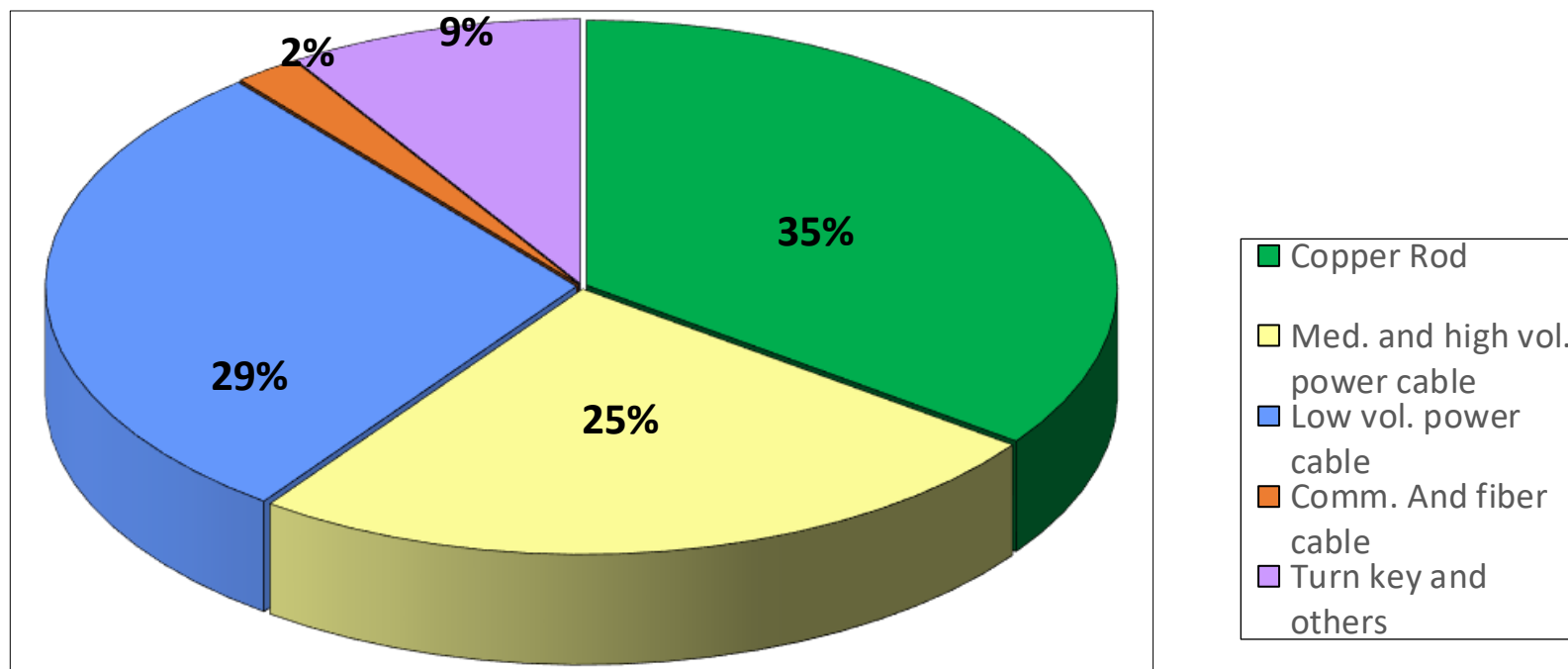
- Ultra-high voltage power cable: Accelerate the certification of the second supplier of 345kV high-voltage equipment; the supply of plastic raw materials is unstable and has a long lead time. New materials are being trialed and will be pre-ordered for next year's usage.
- Ultra-high voltage contract and production plan schedule: New annual contracts obtained this quarter were NTD 2.400 billion, the total contract value was NTD 11.626 billion, NTD 3.199 billion has been delivered, NTD 517 million is in production, and NTD 7.910 billion has not been placed. The production schedule will be clear by the first quarter of next year

■ Communication Copper Cable and Fiber Optic Cable

Main product categories	2024 Jan. ~Sep.		2023 Jan. ~Sep.	
	Sales	Profit	Sales	Profit
Fiber Optic Cable	66,522	18,080	90,131	23,355

- In recent years, global mobile, fixed-line broadband and AI artificial intelligence have become the competitiveness of the country's digital development. HUA ENG has stabilized the source of optical fiber and provided domestic telecommunications network 5G development needs.
- Accelerated carbon footprint certification for all Hua Eng's products.
- Due to the decline of purchase orders, manpower will be shifted to the department of power products.
- Obtained new trench optical cable contract last quarter NTD 34 million.
- Chunghwa Telecom's optical cable contract totals NTD 197 million, NTD 71 million has been delivered, NTD 6 million is in production, and NTD 120 million has not been placed.

Various Product Sales Combination



Product Sales Combination