



新光鋼鐵股份有限公司  
HSIN KUANG STEEL CO., LTD.

2031 TT/TW

# Investor Presentation

August 2025





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# Agenda

1. Operational Results
2. AI Drives Long-Term Growth
3. Company Introduction
4. Growth Strategy
5. Operational Overview



# Operational Results



# 2025H1 Operating results

Operating revenue

NT\$ **9.64** billion

+35.2% YoY

Gross profit margin

**7.7** %

-1.3% YoY

Gross profit

**0.75** billion

+15.0% YoY

Realized gross profit

NT\$ **0.46** billion

+ 87.6% YoY

Realized gross profit margin

**4.8** %

+1.3% YoY

Net income attributable  
to owners of the parent

NT\$ **0.66** billion

EPS NT\$ 2.07





新光鋼鐵股份有限公司  
HSIN KUANG STEEL CO., LTD.

# HKS is the Costco of the steel industry

#Retail

#Own product

#Logistics and warehousing  
development



We have factories throughout the province and provide local supplies, so we have the sensitivity of local industries.







# Logistics and warehousing facility





# Progress and Implementation Status : offshore wind power plant project

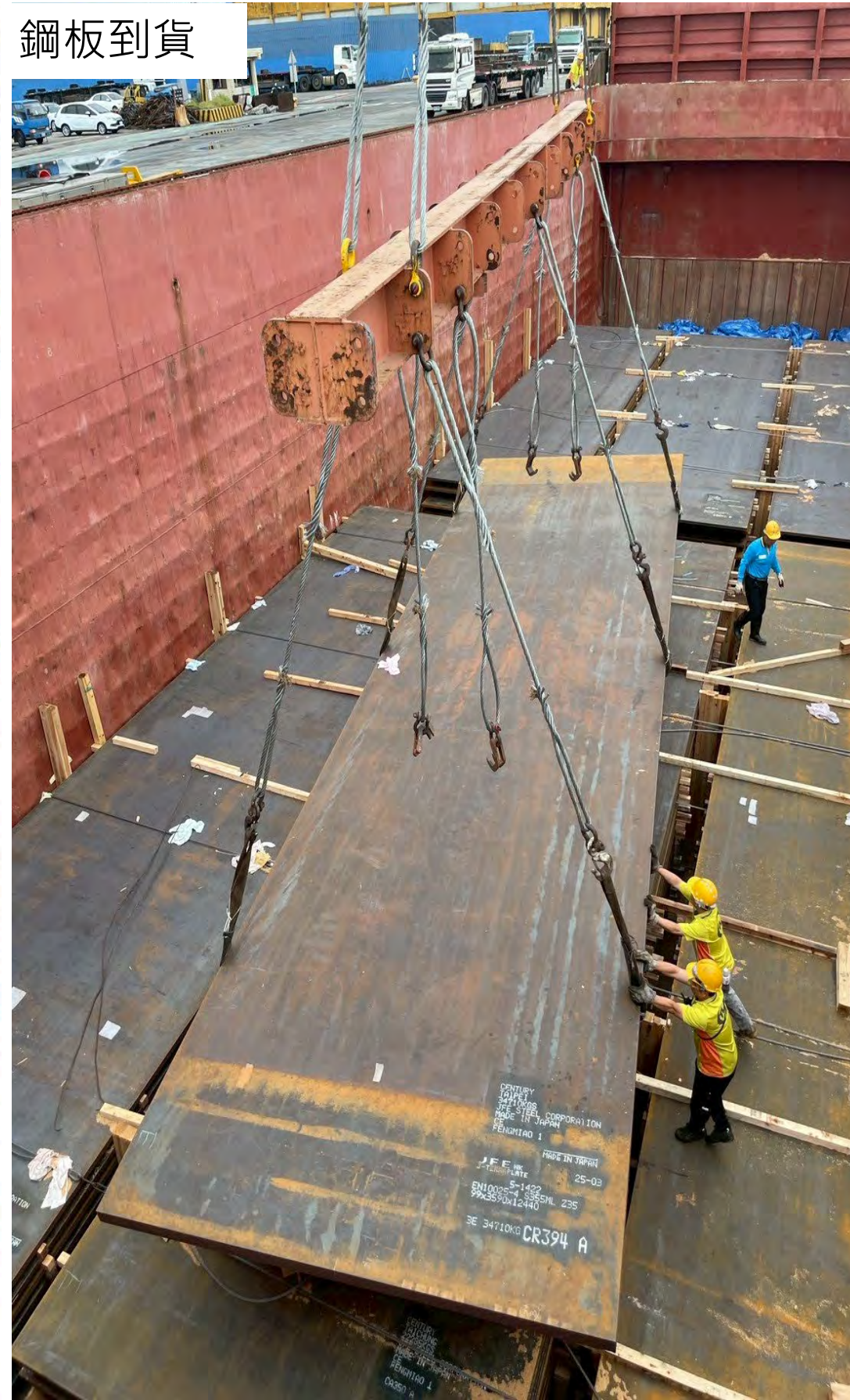
業主查核



業主查核



鋼板到貨



到貨檢驗



生產加工



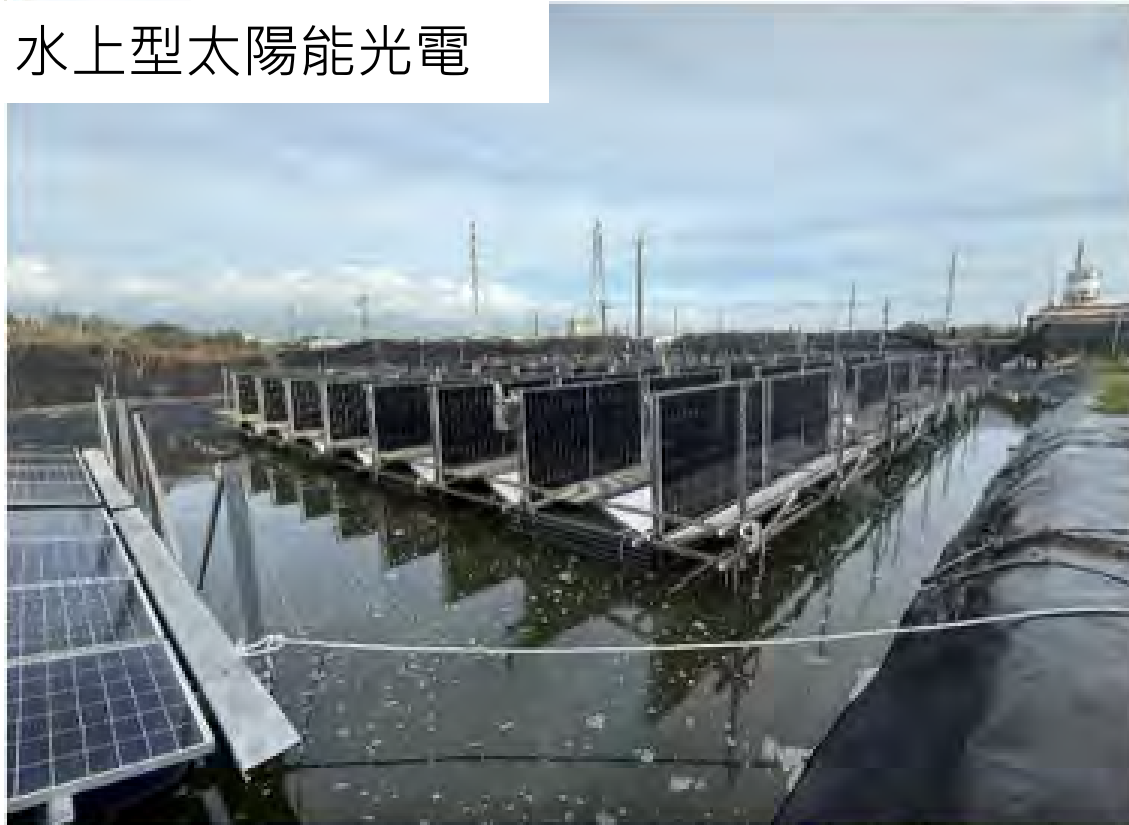
製程檢驗





# Progress and Implementation Status : EPC project

水上型太陽能光電



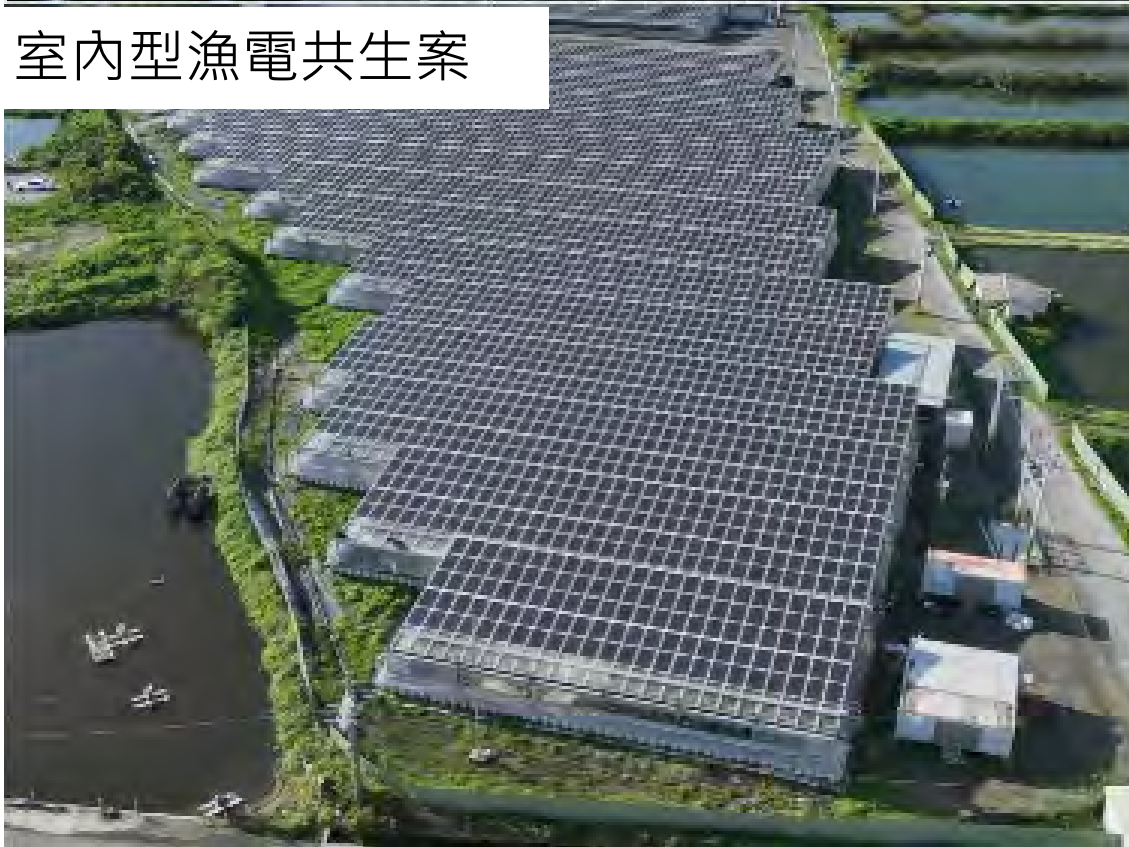
室內型漁電共生案



大型地面型案件



室內型漁電共生案



室內型漁電共生案



室內型漁電共生案





# Progress and Implementation Status : Tung-Hsiao Power Plant 2nd Stage Renewal Project Seawater Intake and Discharge Piping of Circulation Cooling Water System

取排水頭組立安裝



取排水鋼管運輸作業



取排水頭組立安裝



鋼管生產加工



各項構建安裝工程





# Progress and Implementation Status : Steel structure engineering

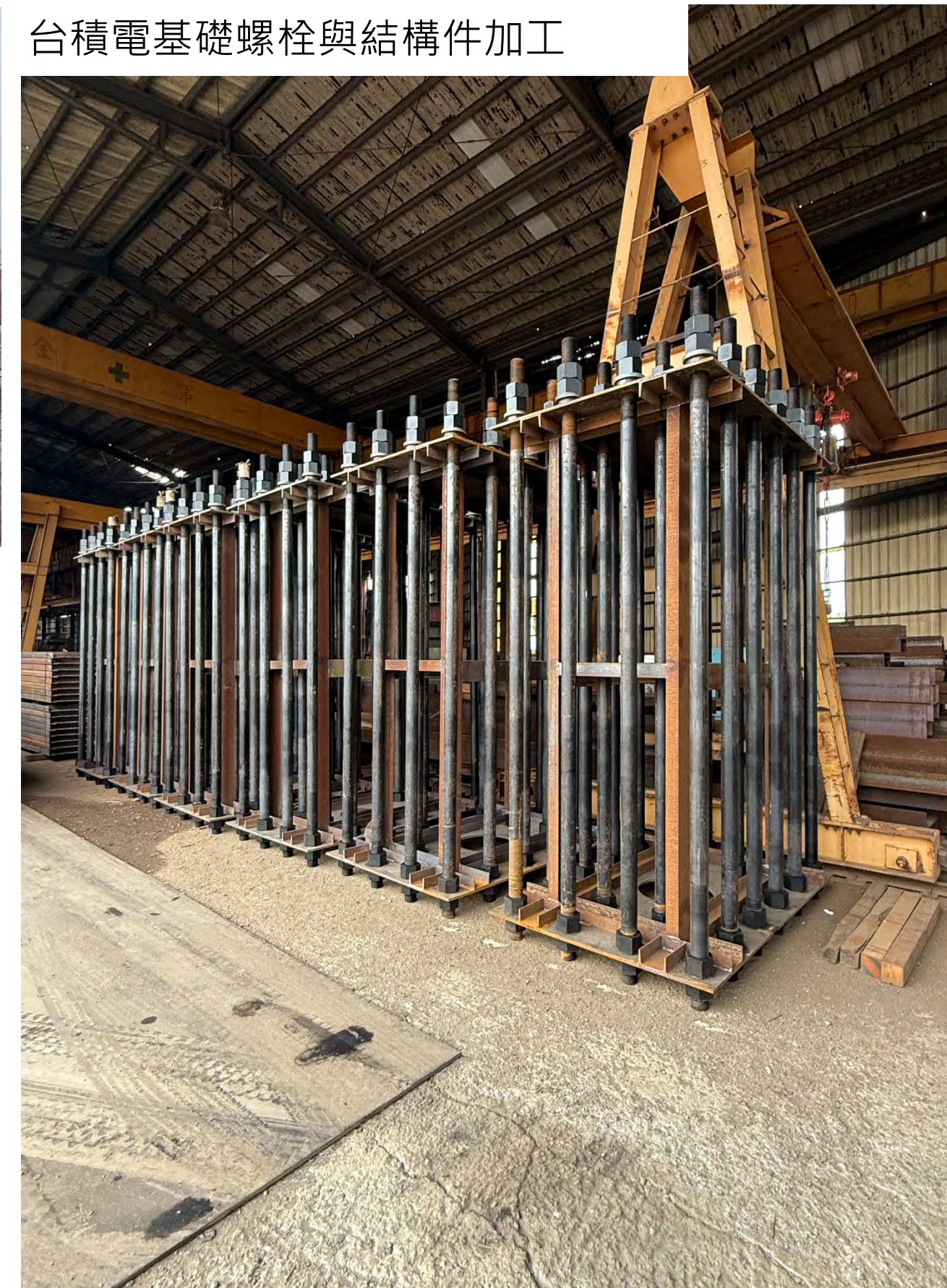
千附精密馬稠後鋼構安裝工程



高雄第一郵聯物流中心鋼構安裝工程



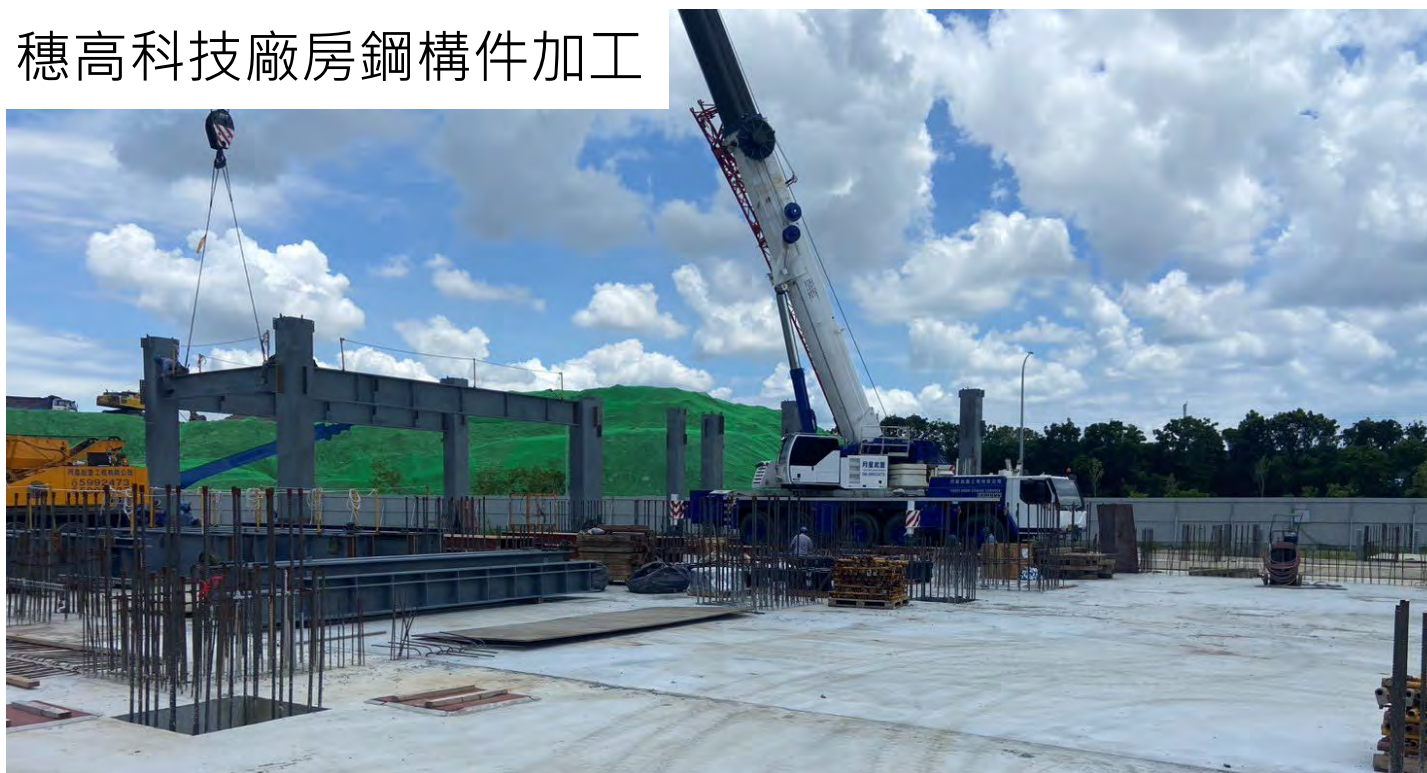
台積電基礎螺栓與結構件加工



屏東潮州機廠鋼構開工前材料檢驗



穗高科技廠房鋼構件加工



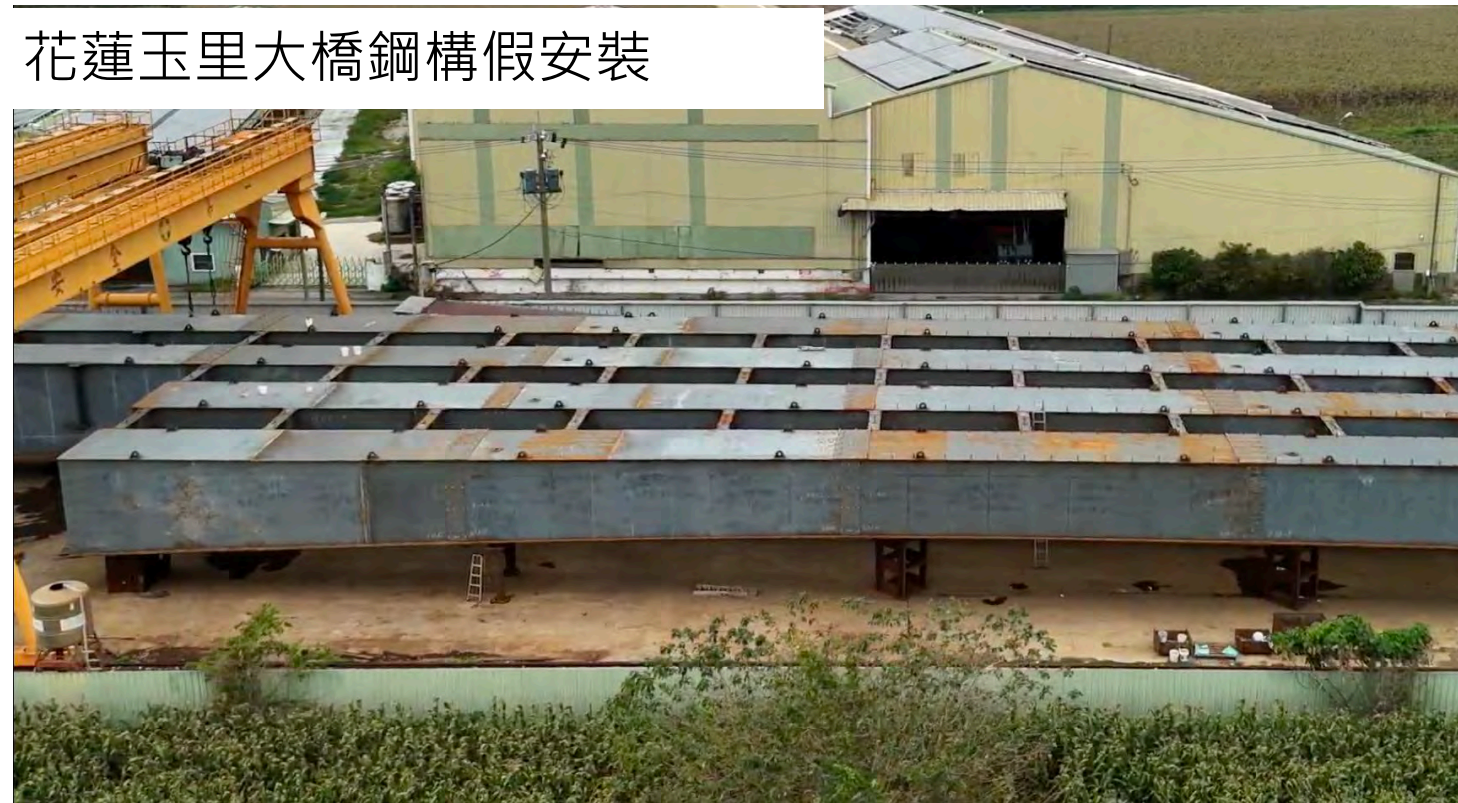


# Progress and Implementation Status : Steel structure bridge project

花蓮玉里大橋鋼構安裝工程



花蓮玉里大橋鋼構假安裝



淡江大橋鋼構安裝



曾文水庫聯通管道水管橋



花蓮玉里大橋鋼構安裝工程



建山淡江大橋



# Operational Outlook of 2025-2026

## ■ Orders are expected to gradually stabilize in the second half of the year, and the company is optimistic about its operating performance in 2026.

- The annual sales target for this year is 520,000 metric tons of steel, a 27% increase from last year's 408,000 metric tons.
- The impact of extreme weather and typhoons has increased demand for infrastructure and post-disaster reconstruction. While this may be temporarily suspended in the short term due to policy and plan reassessments, it is expected to gradually mature over the next 12 months, ushering in greater business opportunities.
- Looking at the current order backlog, we anticipate a significant number of deliveries for projects such as wind power projects and public works projects, leading to an optimistic outlook on operating performance in 2026.

## ■ Optimistic about the AI wave driving long-term growth opportunities

HKS plays a key role in the development of industrial plants, energy facilities, and public works for the technology industry.

## ■ Steel prices are expected to gradually rise as the US's reciprocal tariff policy becomes clearer, uncertainty decreases, and demand recovers.

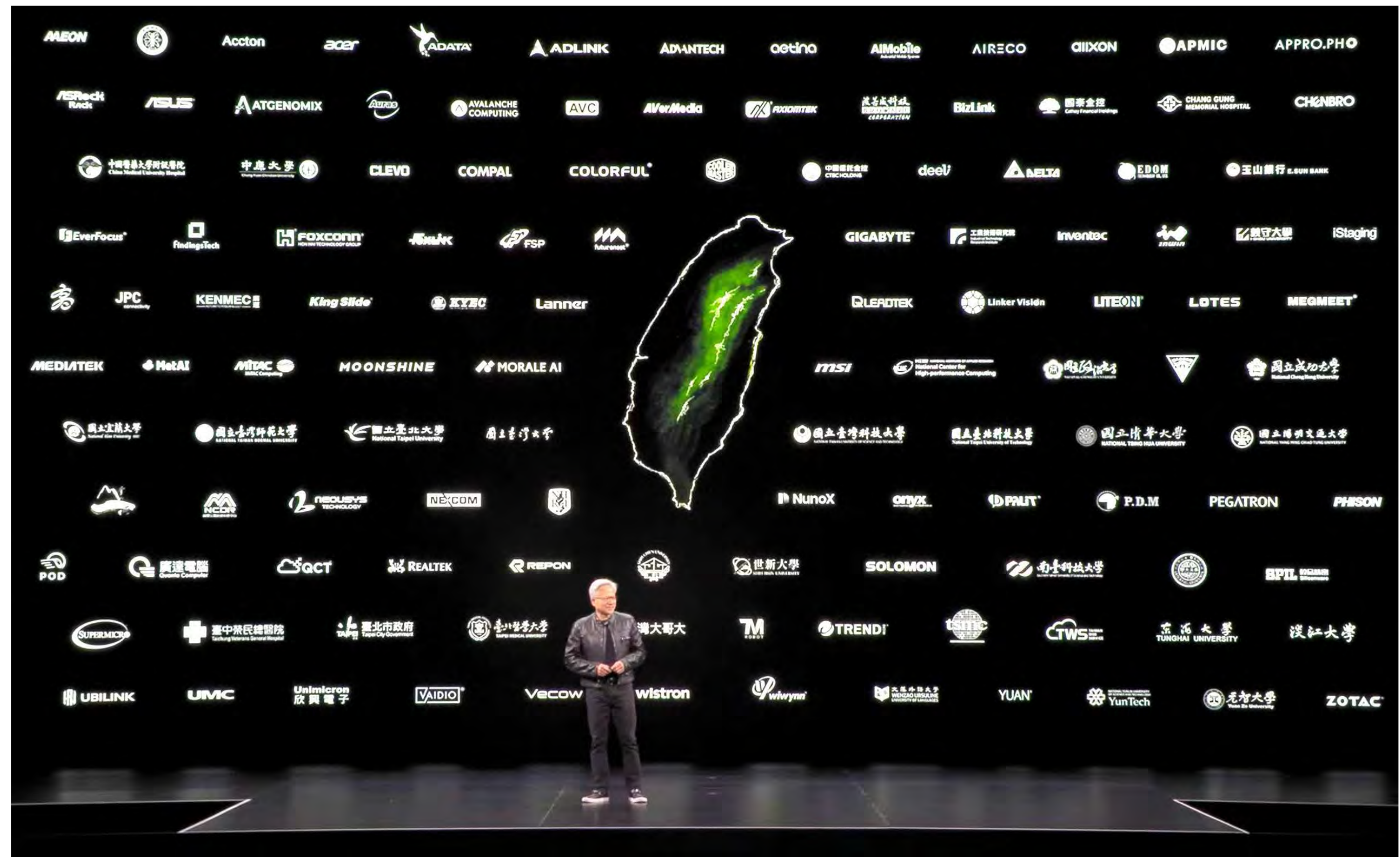


# AI Drives Long-Term Growth



# Taiwan is an indispensable hub for global AI development

- Nvidia will establish its corporate headquarters in Taiwan in the future.
- There are now 43 Taiwanese supply chain partners.







# AI Driving Infrastructure Demand – Steel Industry Sees New Growth Momentum

Microsoft, Google, Amazon, and Meta: Cloud service giants expanding data centers in Taiwan

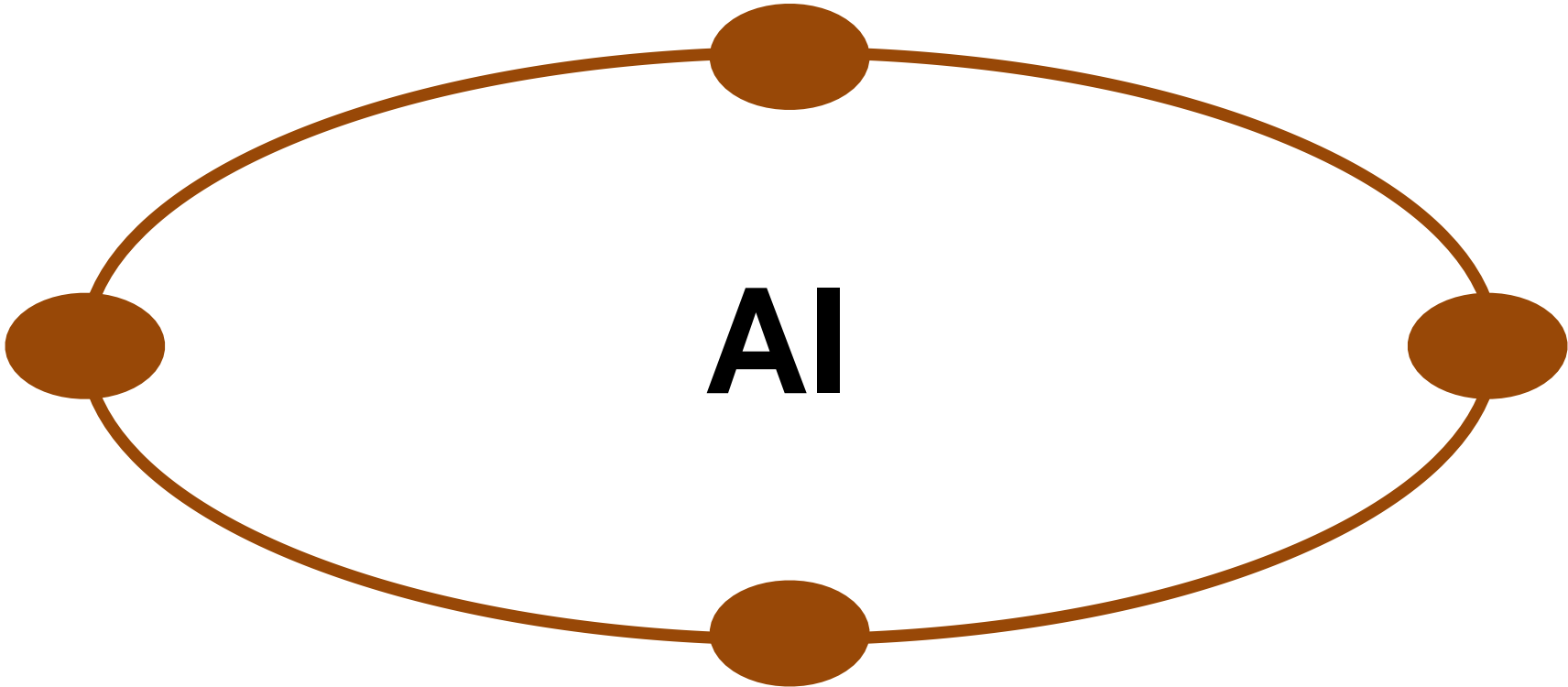
Taiwan 3 Major Investment Plans 2.0

Over NT\$2.5 trillion invested in semiconductor plants and supply chain facilities

Data Center infrasturcture

NT\$15 trillion AI infrastructure projects by 2040

Policy-driven benefits



Surging demand for energy and resources

2024 4 GW 2035 176 GW

U.S. data centers' massive power demand

Large data centers consume 2 million liters of water per day



# From Computing Power to Construction Power – AI Driving Infrastructure Demand and Upgrades



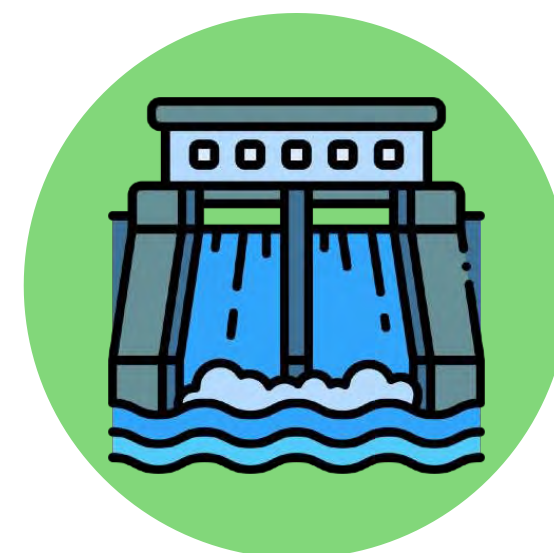
Offshore wind Farm



Solar Power  
Plants



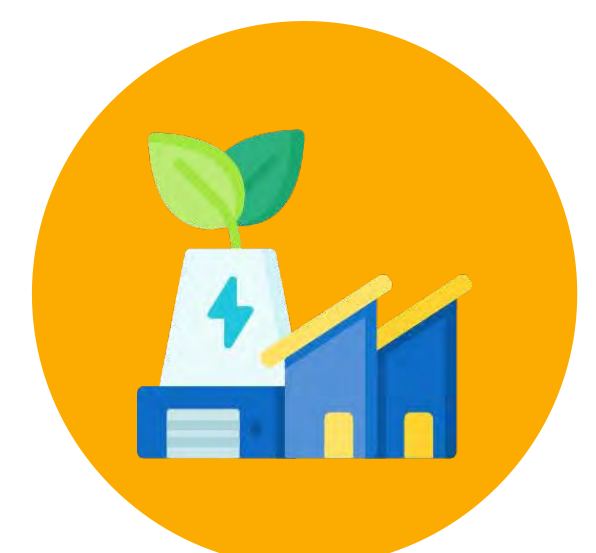
Coal-to-Gas Transition



Water Purification  
Resources



Bridges &  
Railways



Industrial Plant  
Construction

Energy

Government  
Infrastructure Projects

Private Sector  
Construction



# Introduction





Established in

1965

Paid-in Capital

NTD 3.2 billion

Sales Revenue in 2024

NTD 14.6 billion

Work Force

552

Sales Quantity per year

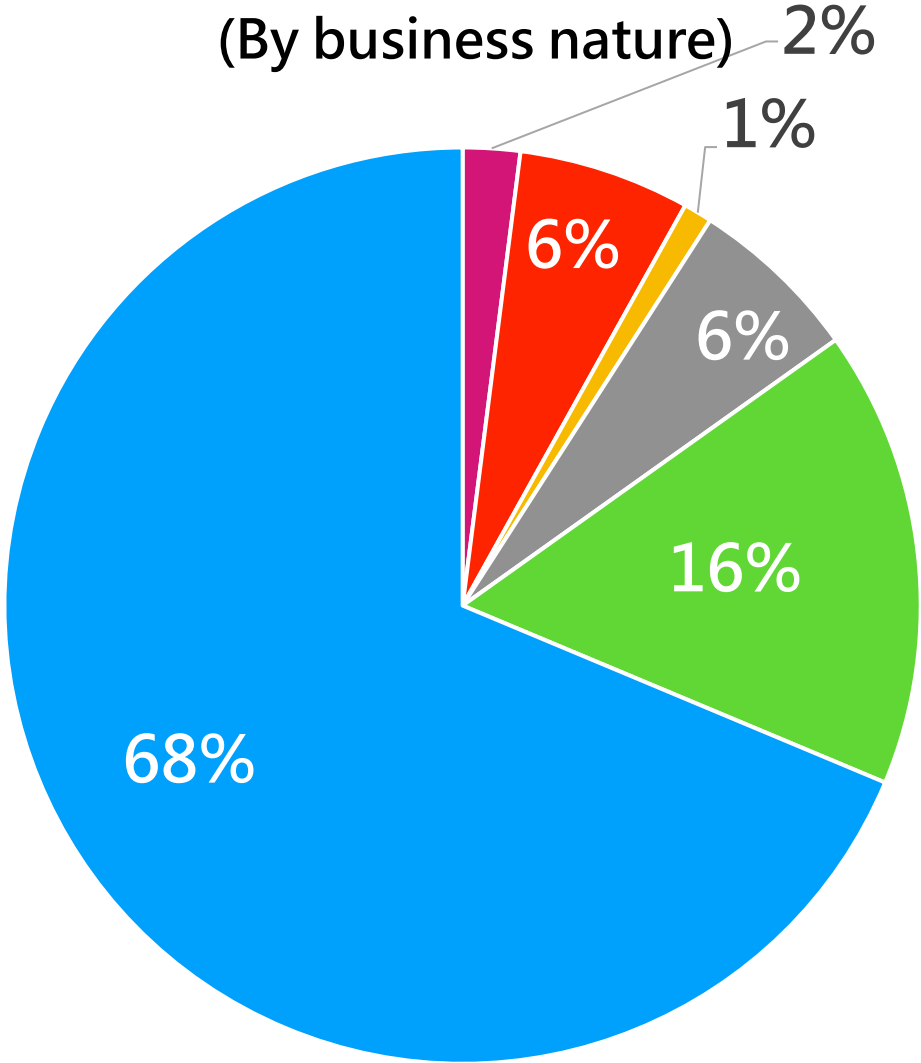
48.5mt

Market Value (2025.6.30)

NTD 12.6 billion

Structure of revenue

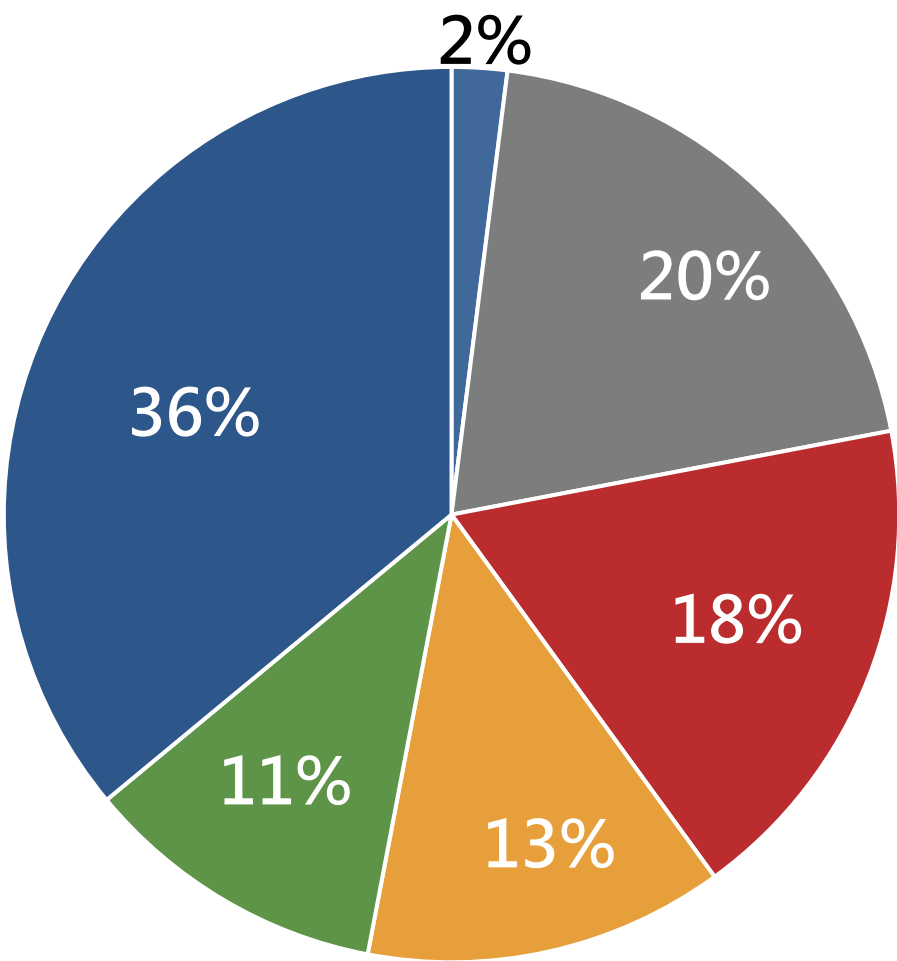
(By business nature)



- Leasing Business
- Construction Services
- Cutting Service
- Steel material
- Business from Project
- Business from sale steel

Structure of revenue

(By end-user industry)



- Warehousing and Logistics
- machinery industry
- Business from Green Energy
- Government investment projects
- Automobile and motorcycle industry
- Private investment projects



# Milestone

## 1965-1985

- 1965 Establishment of Hsin Kuang Steel Co., Ltd.
- 1985 Reorganized into a limited company

## 1986-2000

- 1998 Guanyin Mills obtained ISO 9001
- 1997 Becamea publicly traded company
- 1999 Changbin Mill stablished the “central region steel service center” and a “steel coil leveling and precision cutting center”
- 2000 Public listed (IPO)

## 2001-2015

- 2001 Undertaking the Supply of Steel pot bearing for Taiwan High-Speed Rail”
- 2004 A steel structure components production center was established at the Kaohsiung Mill
- 2010 Offering Steel plate for Taipei MRT project
- 2013 Offering Steel plate for TaiChung MRT project

## 2015 - Future

- 2018 Establishment of Apex
- 2019 Establishment of Hsin Hua
- 2020 Received the TCSA Awards - Silver Prize for the Manufacturing Industry
- 2021 completion and inauguration of Xincheng Logistics Park
- 2023 Completion and grid connection of the 117 MW Phase 1 of the Chiayi Fish-Electricity Symbiosis Power Plant.

1

### Phase 1

- Starting up stage.

2

### Phase 2

- Establishing a statewide steel cutting center
- IPO
- Establishment of fine corporate governance

3

### Phase 3

- Establish upstream and downstream strategic partnerships
- undertake large-scale public and private projects in Taiwan
- corporate vision :” Working together to build a beautiful new Taiwan.”

4

### Phase 4

- Diversify portfolio of business
- Become a steel solution provider in different sectors
- Green investment supports industrial development

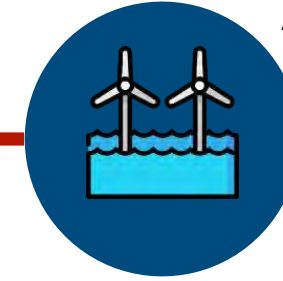


# Group Structure



新光鋼鐵股份有限公司  
HSIN KUANG STEEL CO., LTD.

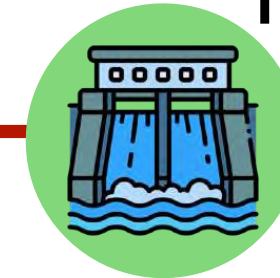
66.14%



## Apex Wind Power

- Offshore wind power underwater infrastructure
- Pressure vessel
- Hydrogen-power infrastructure

100%



## Hsin Hua( Note)

- Steel bridge engineering & construction
- steel pipes for Cooling water intake and discharge for power plants
- Steel water pipe

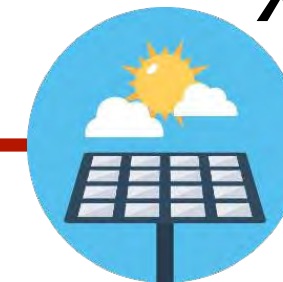
100%



## Xincheng Logistics

- Development and investment in multifunctional logistics centers
- Rental business

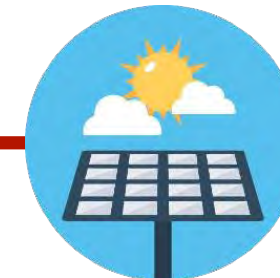
49%



## Xinwei Solar

- Development and investment in rooftop solar power plants

20%



## Sunny Diverse solar

- Development and investment in indoor fish-electricity symbiosis power plants
- CPPA

81%



## Mason Metal

- Steel processing for automotive, home appliances, and computer servers

\*Note : Hsin-Yuan Investment  
(Reinvestment)





# Our Vision

『 Everyone cooperates together to construct a beautiful new Taiwan 』

『 Everyone cooperates together to construct a sustainable Taiwan with Net-zero carbon emission 』



Renewable Energy

Offshore wind 2026-2030 1.5GW every year

2050 40-80GW

Solar 2026-2030 2.0GW every year

2050 40-55GW

Fuel Switch

Expanding usage of natural gas  
Adopting clean energy/hydrogen

Net Zero LNG  
CCU technology

Low Carbon Energy

Providing hydrogen, ammonia and biomass fuel for industry and transportation





# Channels

Steel Mill



Cross-Industry Steel Solutions Provider

2,000+ Cross-Industry Customers

- Metal Hardware
- Building & Plant Construction
- Bridge Engineering
- Home Appliances & IT Industry
- Automotive & Motorcycle Sheet Metal / Structures
- Offshore Wind Industry
- Water Resources Industry
- Solar PV Industry
- Energy Storage

upstream



midstream

downstream



# Supplier Management

- Focus on Taiwan, Japan, and Korea
- Long-Term Partnerships
- Strategy-Oriented
- Approach Stable Supply, Immune to Geopolitical Risks
- High-Quality Steel





## A Professional and Diverse Board





## Cross-Generational, Forward-Looking Team





# Diversified Service Scope

## The Most Comprehensive One-Stop Steel Solutions Provider

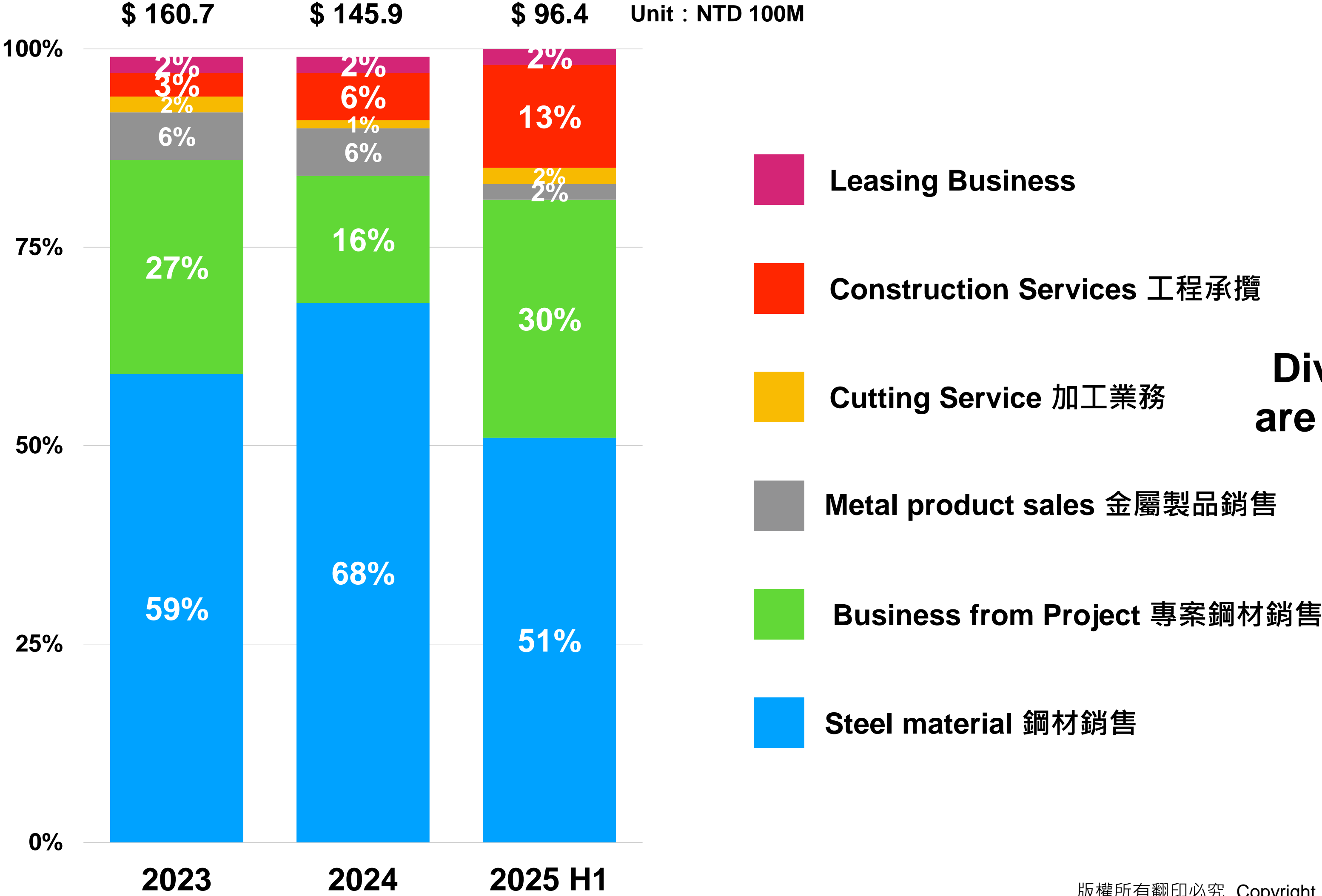




# Company Introduction



# Revenue Composition (by Business Nature)



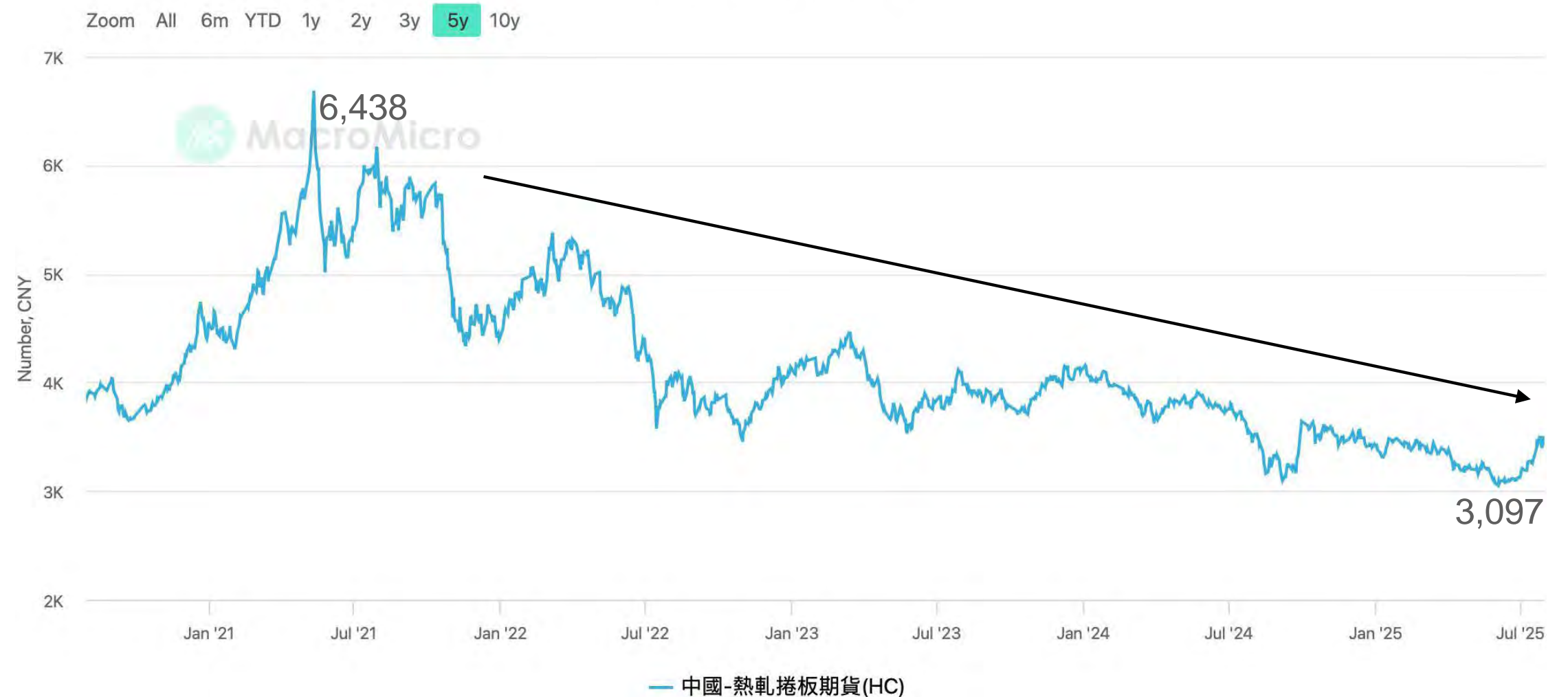
Diversification results  
are becoming apparent



# Revenue diversification to combat falling steel prices and business cycles



中國-熱軋捲板期貨  
MacroMicro.me | MacroMicro



— 中國-熱軋捲板期貨(HC)



# 2020-2025H1 ROE

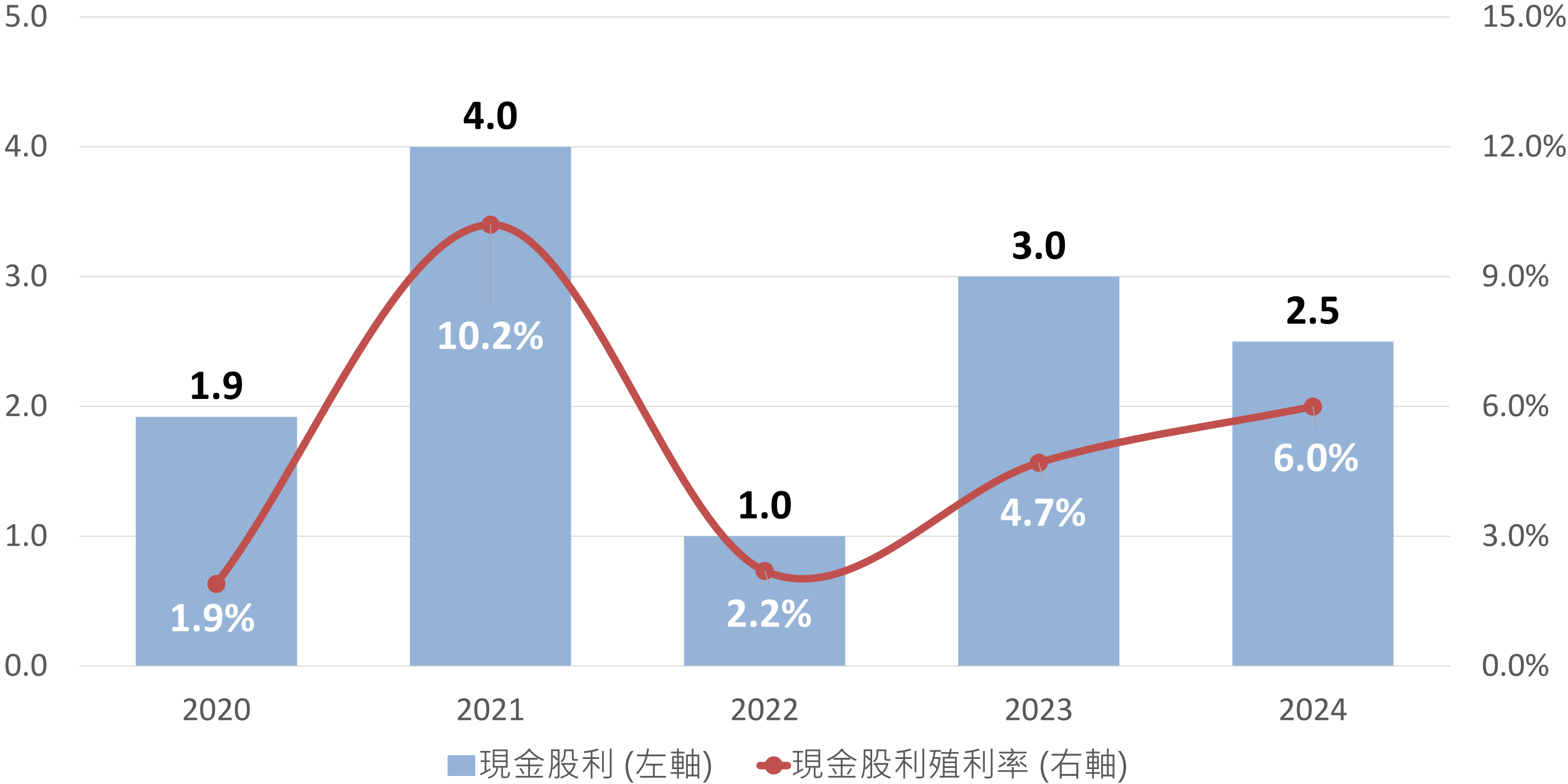


2020-2024  
Average ROE  
14.2%





# 2020-2024 Cash Dividends and Cash Dividend Yields



Stable dividend  
distribution  
policy

\*Cash dividend yields are calculated using the market value on the day before the ex-dividend date.





# Growth Strategy

A large black circle containing the text 'Steel Solutions' in white.

Steel Solutions

A large dark red circle containing the text 'Inter-group collaboration' in white.

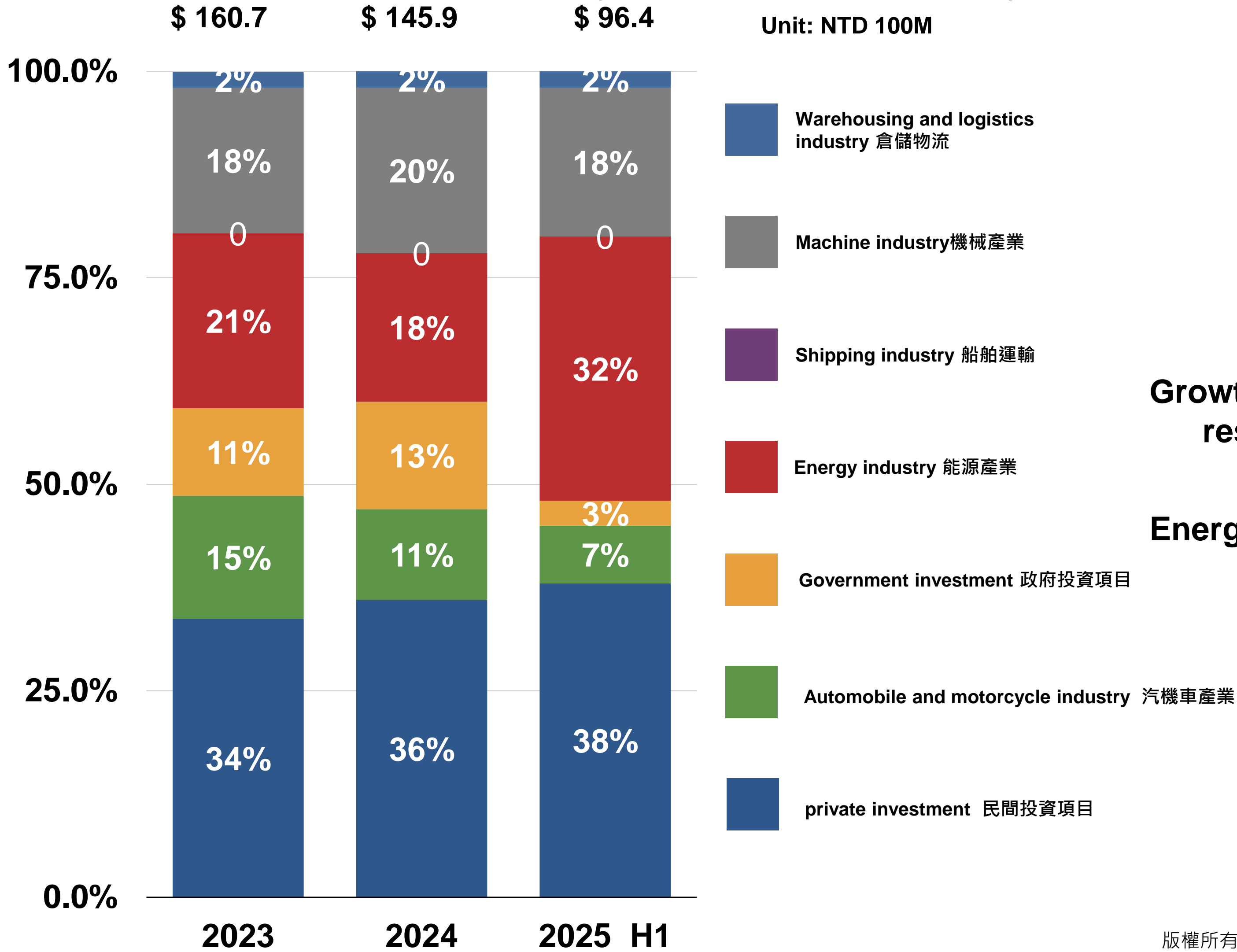
Inter-group  
collaboration

A large light red circle containing the text 'Project Development & Strategic Investment' in white.

Project  
Development  
& Strategic  
Investment



# Revenue composition ( By end-user industry )



Growth strategies are showing results,  
responding to industry changes

Energy industry and private investment  
demand growing



# Long-term operating goals

## ■ Achieving a double-digit compound annual growth rate (CAGR) in revenue

- Continue to deepen our presence in existing application areas while capitalizing on the AI wave to actively expand related customers and application markets.

## ■ Increasing the proportion of products other than steel sales to over 50%

- Focus on upgrading technology and services to create higher added value for our customers
- Continue to expand logistics and warehousing business to increase stable cash flow.

## ■ Continue to improve our long-term ROE

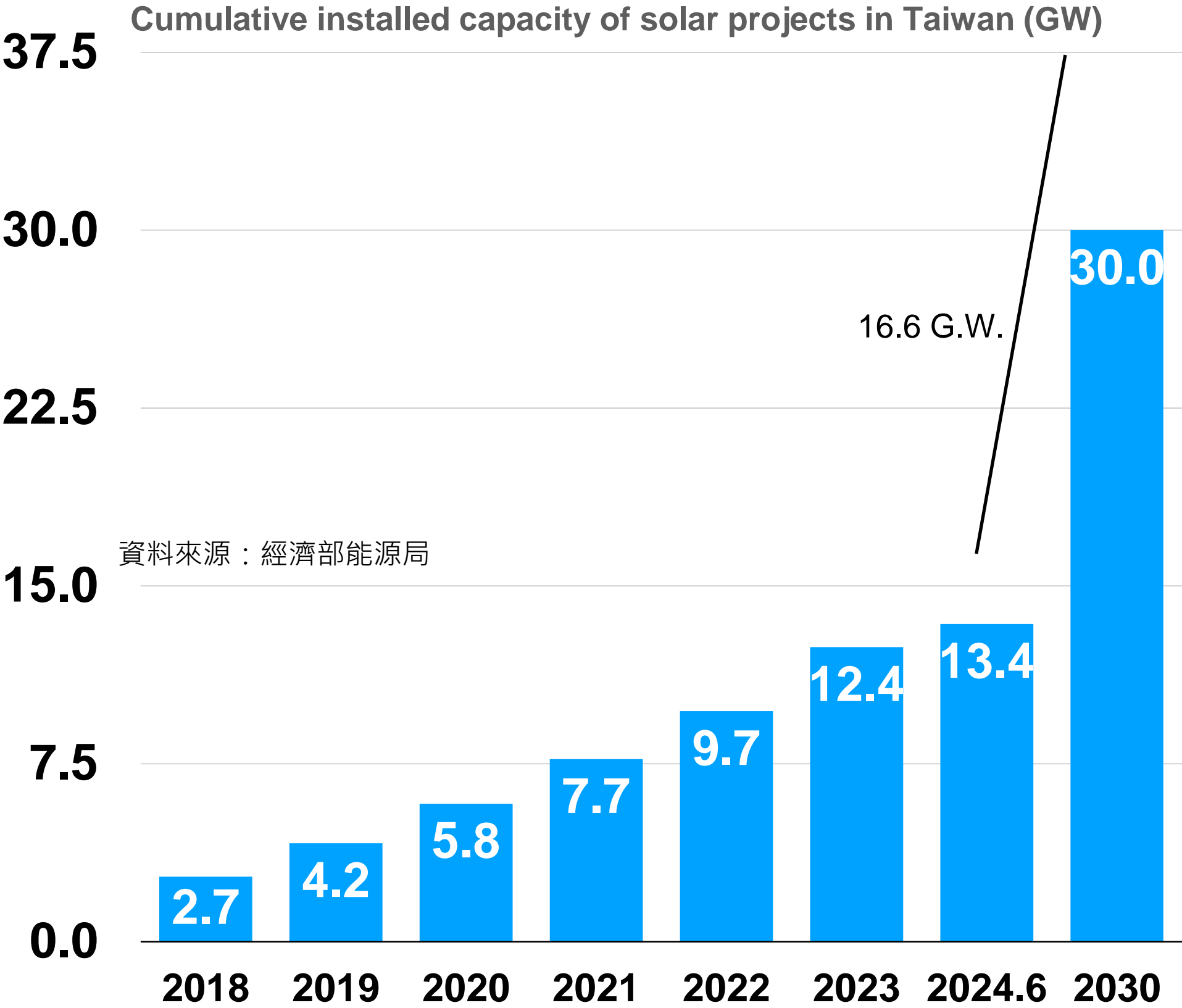
- Enhance operational efficiency and continue to develop diversified revenue and profit sources.

## ■ Maintain a robust cash dividend policy

- Leveraging cash flow from rental income, we will mitigate the impact of economic cycles.



# Solar Power Plant



\*1 Goal of government in 2030

Steel demand from  
solar power plant

**\*2 1 million Mt**

\*Note 1: Subject to change with policy adjustments.  
\*Note 2: Calculated at 60 mt/MW. This is a rough estimate; actual quantities may vary depending on the specific project design. °





# Green Energy Trading

Development Stage of  
Project  
Environmental corrosion  
survey

Design Stage of Project  
Structure Design

Construction Stage of  
Project  
Project Management

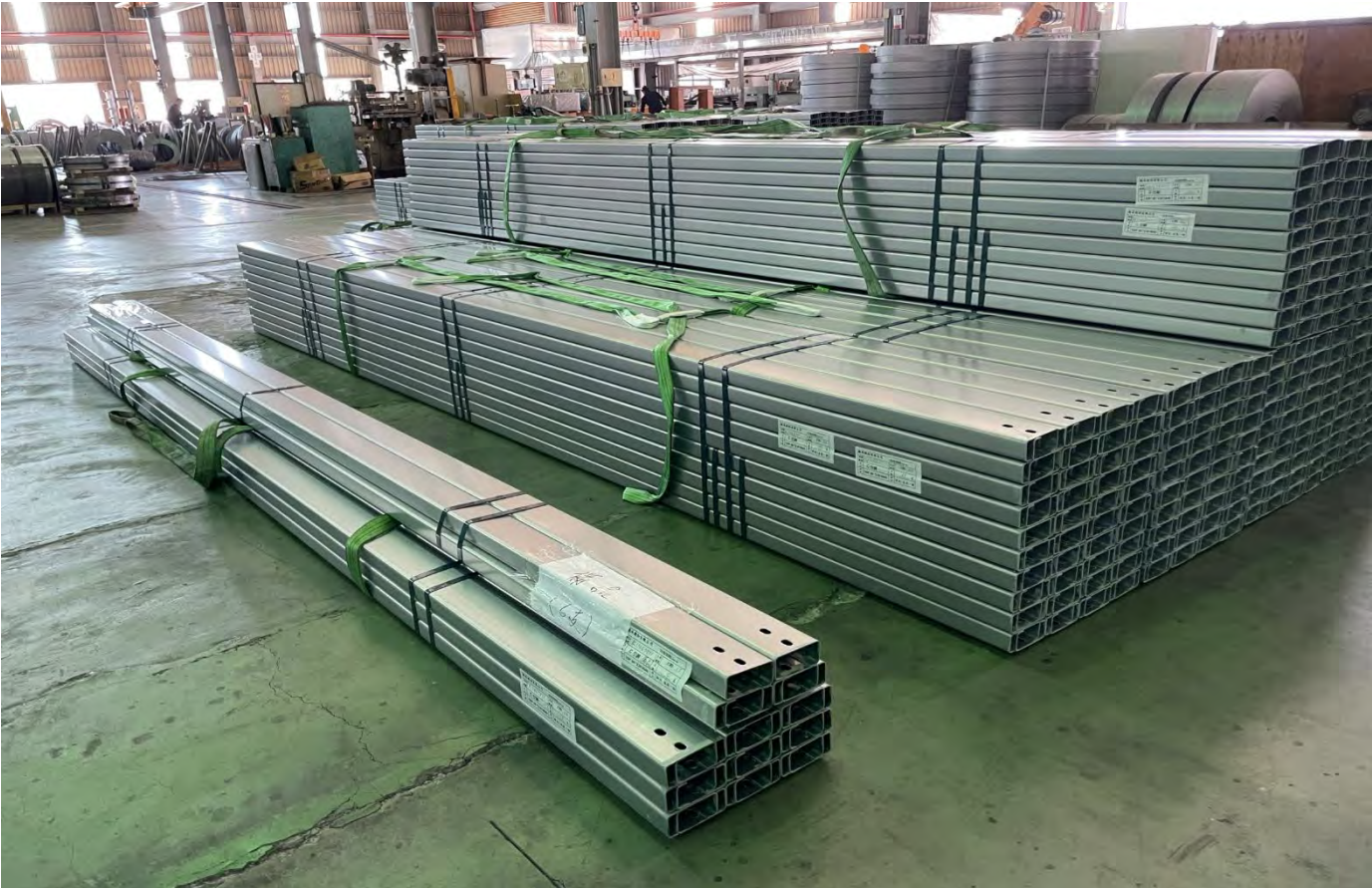
Operating Stage of Project  
O & M Suggestion

Development of  
Solar Power Plants

Seek Trading of  
Green Energy









# Future plan

Steel Solutions + Project Development + Green Investment



## Greenhouse-type agrisolar power plant

We plan to form a joint venture with strategic partners in the future, focusing on assisting local farmers in building greenhouse-rooftop agrisolar structures in extreme climate conditions. This initiative aims to encourage young farmers to return to their hometowns and promote regional revitalization.

Project Year

**2027-2028**

Install Capacity

**300M.W.**

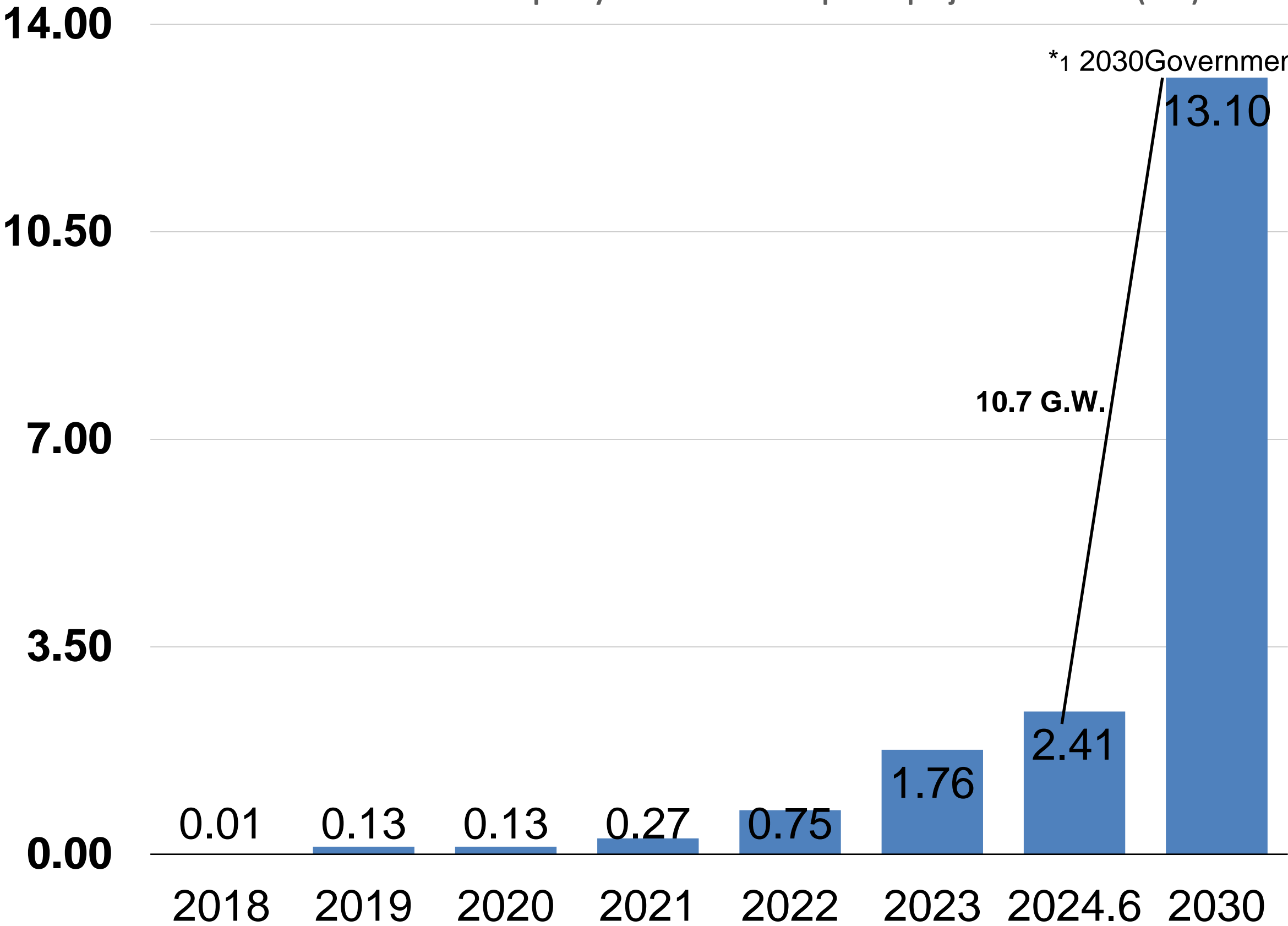
**It will contribute  
to the group's  
revenue.**





# Offshore wind Farm

Cumulative installed capacity of offshore wind power projects in Taiwan (GW)



Offshore wind power steel consumption

**\*2 2.3 million tons**

資料來源：Energy Administration

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\*Note 1 : Subject to change with policy adjustments.  
\*Note 2 : For a single 14 MW wind turbine, the estimated steel requirement is approximately 3,000 tons (excluding the tower). This is a rough estimate, and the actual quantity may vary depending on the specific design of each site





# Offshore wind power industry



Established in <b>2018</b>	Paid-in capital <b>NTD 660 million</b>	Market value (2024.8.13) <b>NTD 5.54billion</b>
Employees <b>80</b>	2023 Revenue <b>1.7 billion</b>	Wind power projects <b>6 Wind farm</b>





# Offshore wind power industry

Three offshore wind pfoject require more than 300,000 tons of steel metal.

Formosa 4  
offshore wind  
project  
495M.W.

Demand time: 2026H1

Formosa 6  
offshore wind  
project  
800M.W.

Development and design stage

Wei Lan Hai  
Changhua  
offshore wind  
project  
440M.W

Demand time: 2026H2





新光鋼鐵股份有限公司  
HSIN KUANG STEEL CO., LTD.

Clean Water 、 Bridge/Railway 、 Coal to LNG



新樺鋼鐵

Hsin Hua Steel Industry Co., Ltd.

Established in  
**2019年**

Employees  
**80人**

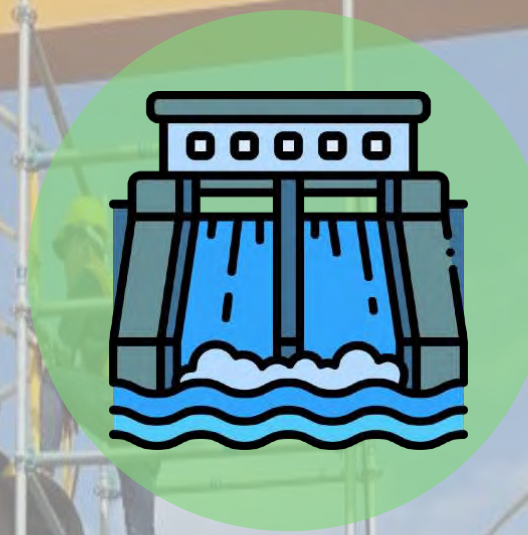
Paid-in capital  
**NTD 160  
million**

The Nanhua secondary water  
supply line-section 2 of the pipe  
bridge from Nanhua to Zuozhen

**Merit Award**



Bridge track



Clean water



Coal to  
LNG

Steel structure engineering Bridge  
structure engineering Steel Water Pipe  
Socket-and Spigot joint steel pipe  
Seawater Intake and Discharge Pipe in  
LNG power plant



## Products

### Propulsion steel pipe for waterway

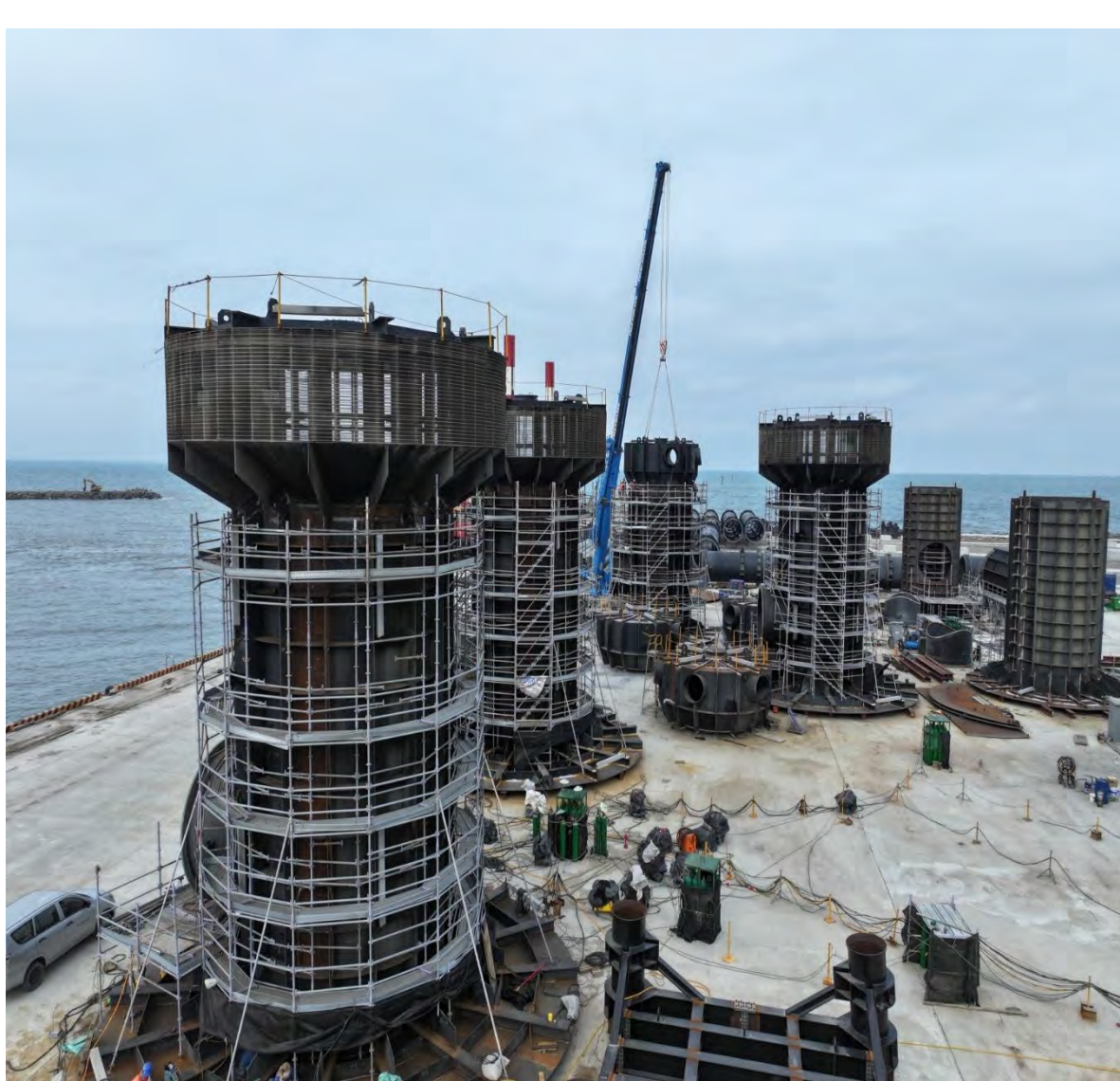
internal ring  
welding for  
leak  
prevention

Using  
**Socket-and  
Spigot joint**

Is used on  
**Shield  
Tunneling  
Method**









**Taiwan Railways Chaozhou  
Locomotive Works Phase II Project**

**Building A1 steel structure project,  
NT\$850 million**

**Construction is expected to start in  
Q4 2025**





# Current Development Trend of Multifunctional Logistics Centers



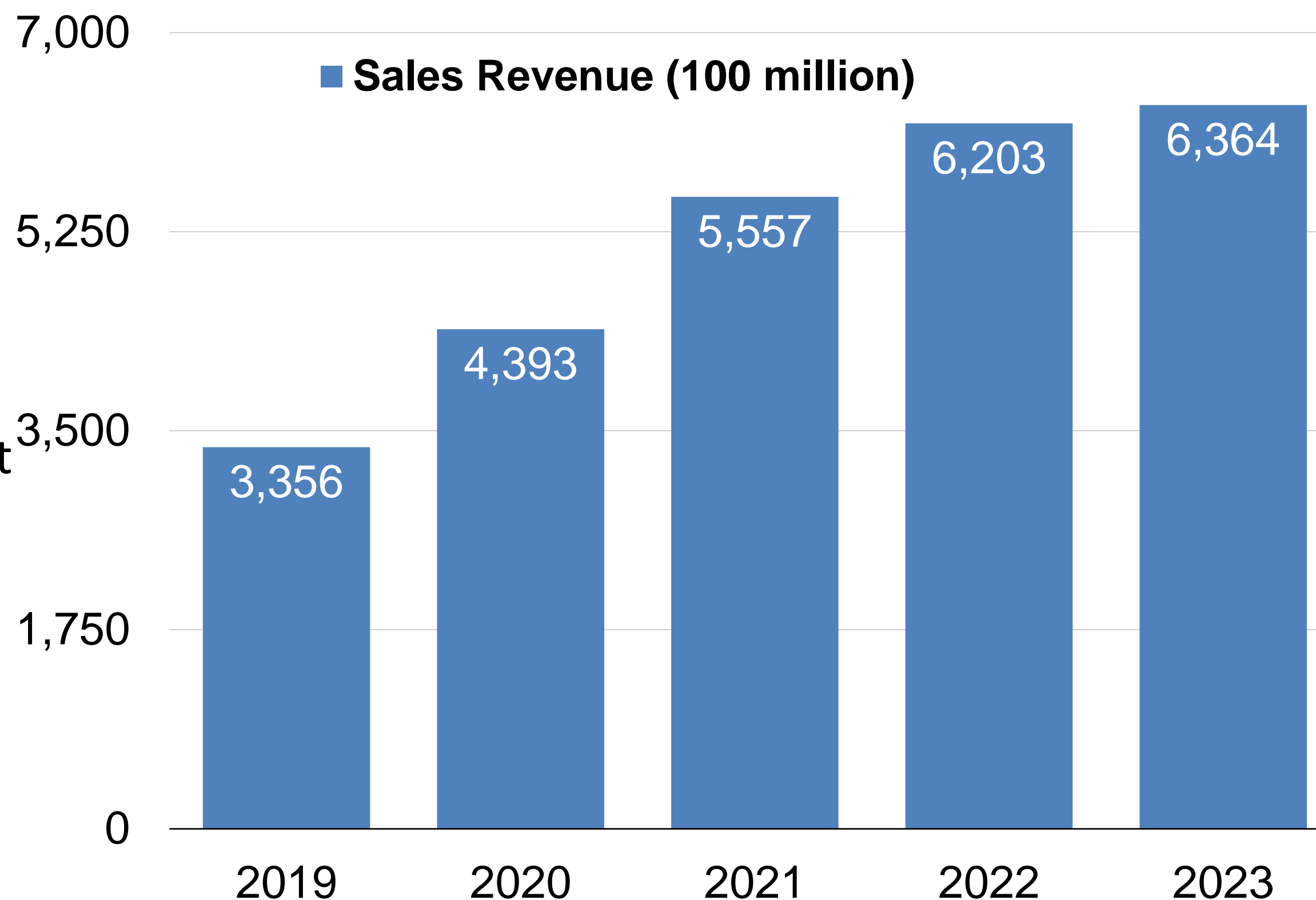
With  
Cold Chain  
Equipment

Design  
Legal and Compliant

Trends Large-scale 、  
Automation

Online to  
Offline

Online sales revenue of the retail industry from 2019 to 2023





# Development of modern multi-functional logistics centers



新光鋼鐵股份有限公司  
HSIN KUANG STEEL CO., LTD.

## Modern Multifunctional Logistic Center

**Total land area**  
**81,000 m<sup>2</sup>**

**Total floor area**  
**162,000 m<sup>2</sup>**

**Annual contribution from  
leasing business**  
**EPS 1**  
**per year**

Xincheng Logistics Park



Xinqing Logistics Park

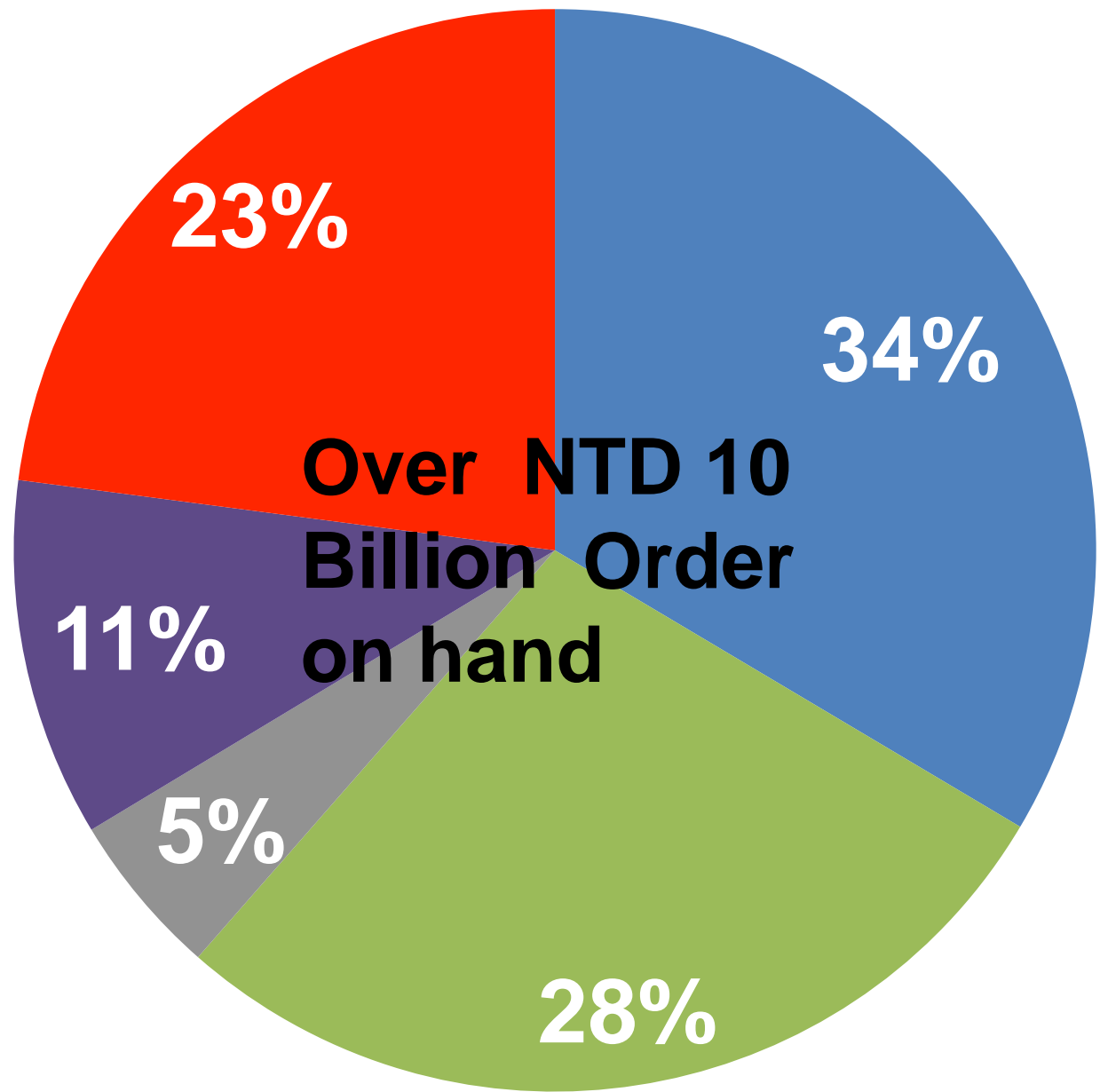






# Orders on hand with percentage of each sectors

■ 燃煤轉氣 ■ 再生能源 ■ 淨水資源 ■ 橋樑/軌道 ■ 鋼結構



Delivery time a little be delayed But demand remains strong





# Financial data

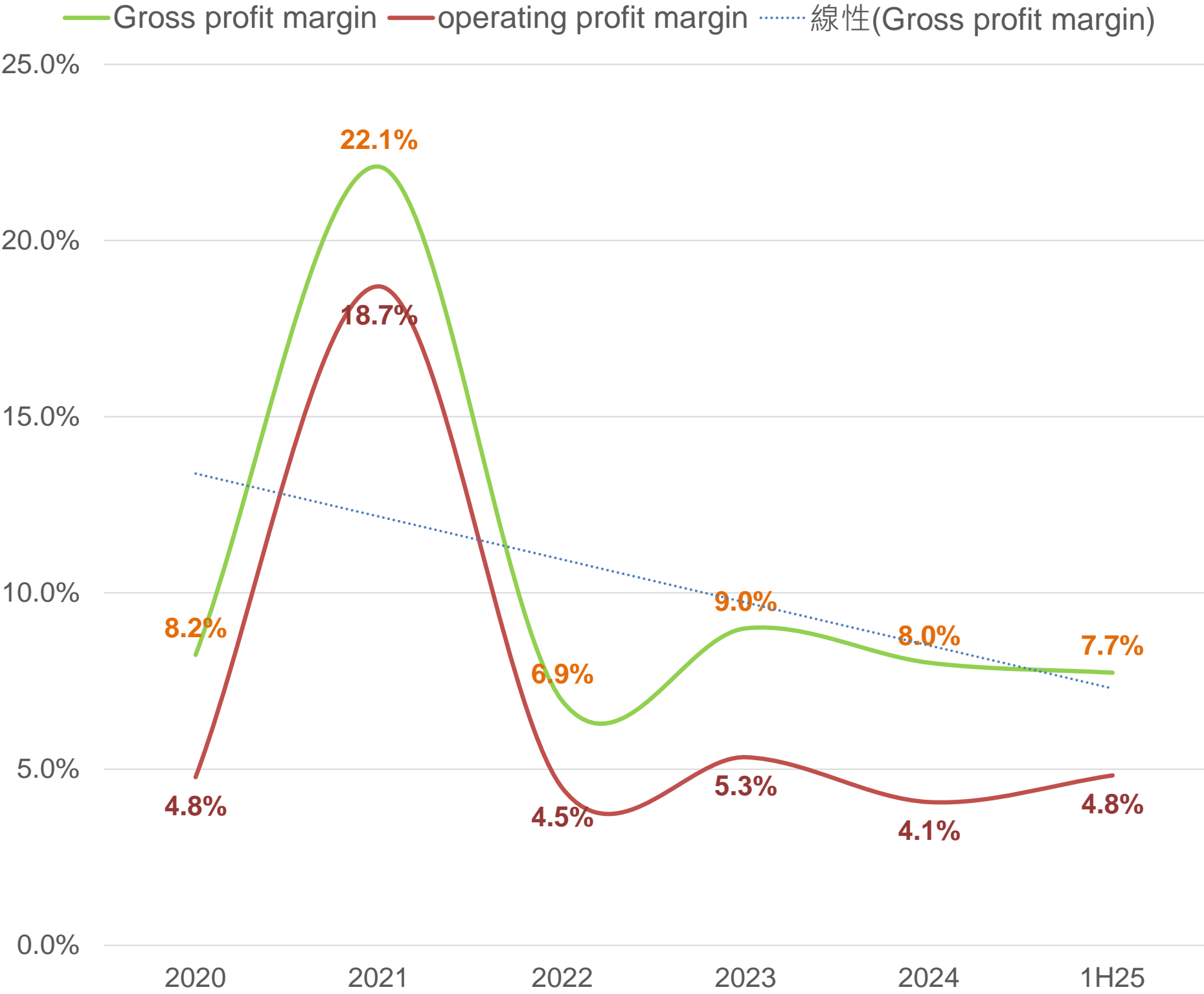
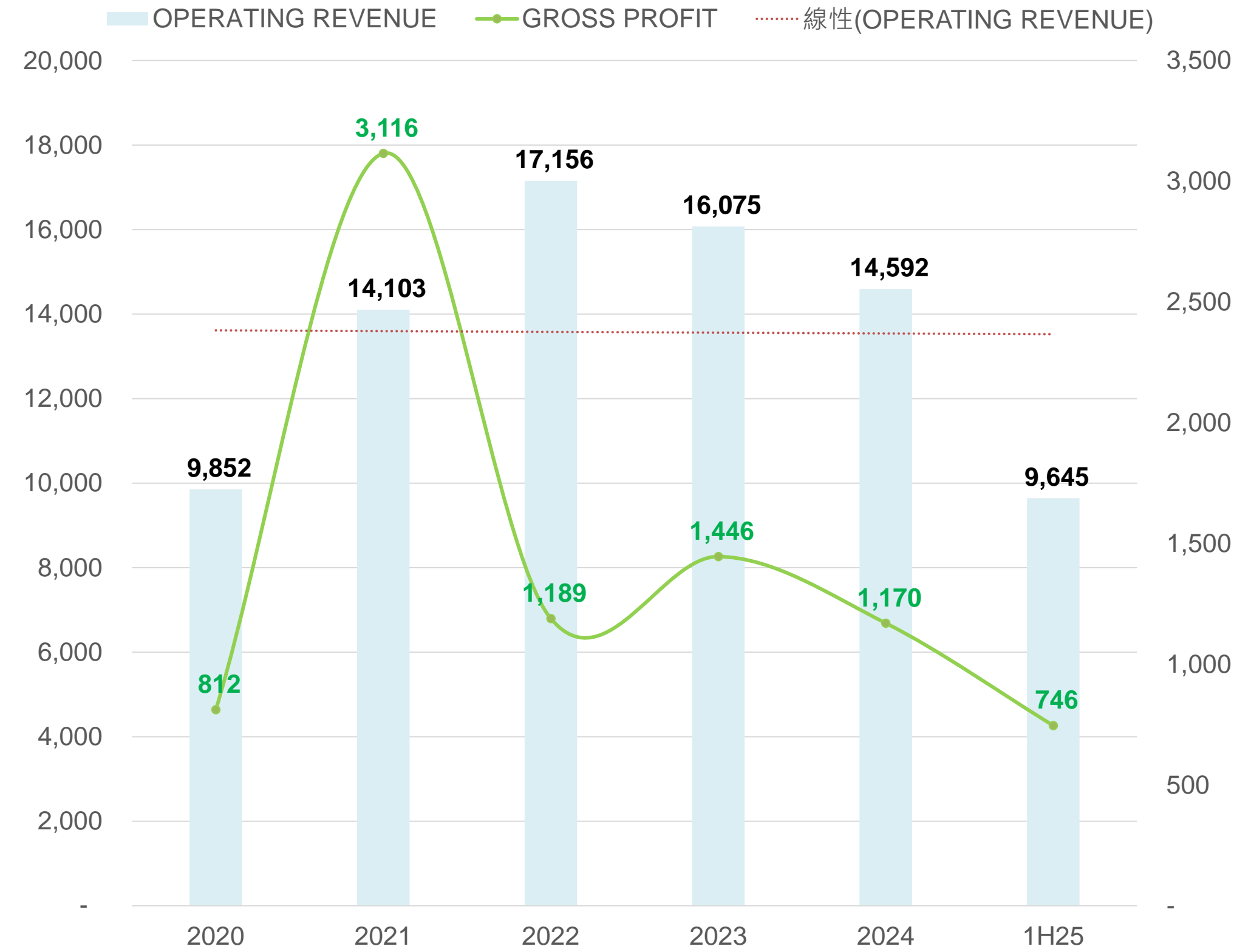
## 2020-2Q2025





# 2020-2025H1 Key Figures

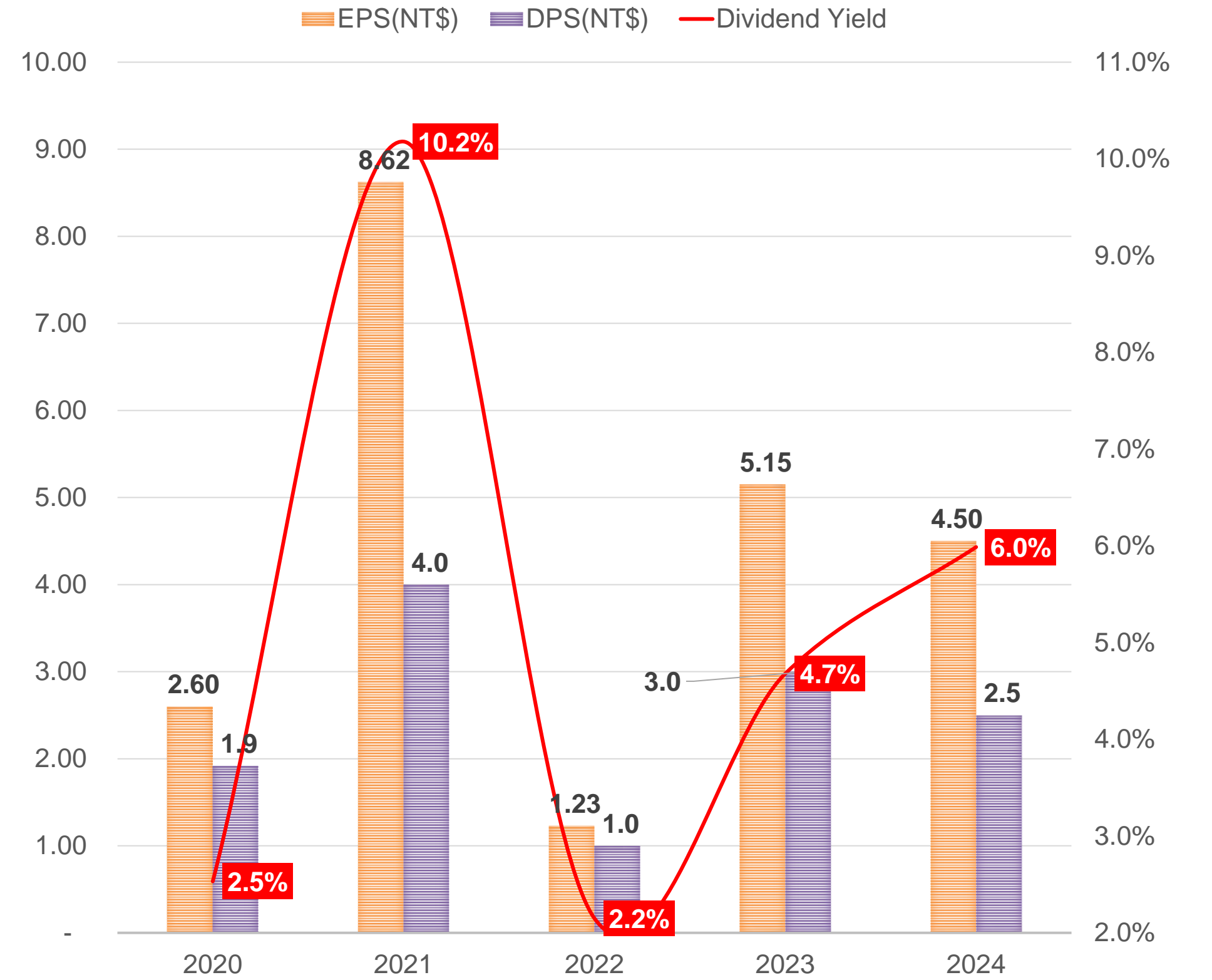
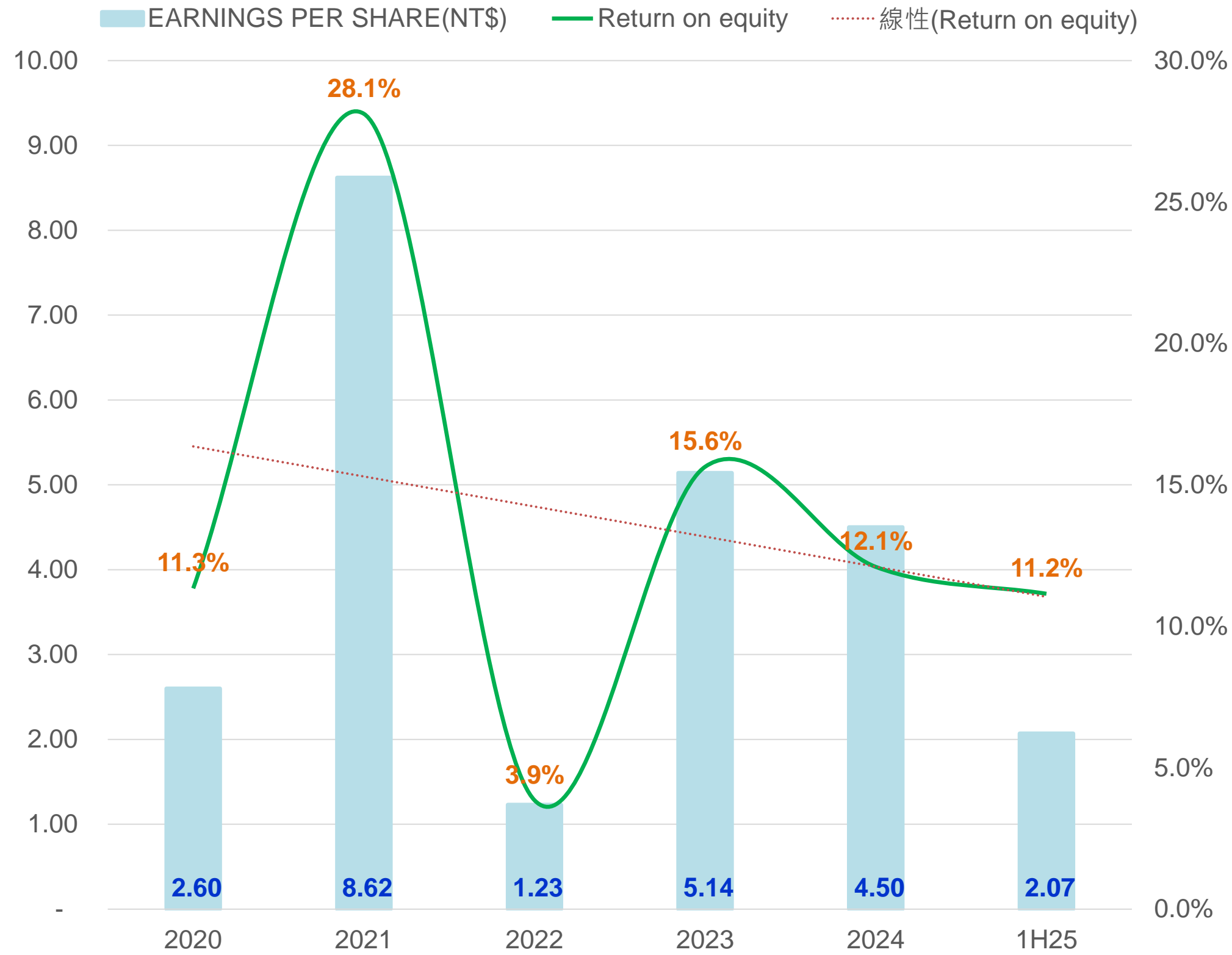
NT\$ million







# 2020-2025H1 Key Figures





## Income Statment from 2020-2025 H1

NT\$ million	2020	2021	2022	2023	2024	1H25
OPERATING REVENUE	9,852	14,103	17,156	16,075	14,592	9,645
GROSS PROFIT	812	3,116	1,189	1,446	1,170	746
OPERATING EXPENSES	342	479	424	587	577	281
PROFIT FROM OPERATIONS	470	2,637	765	858	593	465
PROFIT BEFORE INCOME TAX	913	3,308	660	1,858	1,594	830
NET PROFIT FOR THE YEAR	846	2,771	418	1,732	1,476	694
EARNINGS PER SHARE(NT\$)	2.60	8.62	1.23	5.14	4.50	2.07
	2020	2021	2022	2023	2024	1H25
Revenue growth rate	16.2%	43.1%	21.6%	-6.3%	-9.2%	35.2%
Gross profit margin	8.2%	22.1%	6.9%	9.0%	8.0%	7.7%
operating expense ratio	3.5%	3.4%	2.5%	3.7%	4.0%	2.9%
operating profit margin	4.8%	18.7%	4.5%	5.3%	4.1%	4.8%
Net profit margin	8.6%	19.6%	2.4%	10.8%	10.1%	7.2%
Return on equity	11.3%	28.1%	3.9%	15.6%	12.1%	11.2%





# Balance Sheet from 2020-2025 H1

NT\$ million	2020	2021	2022	2023	2024	1H25
Total assets	19,893	25,922	24,439	28,353	29,551	30,950
Cash and cash equivalents	709	964	1,099	954	1,212	1,237
Financial assets	5,309	5,917	5,074	7,153	7,908	8,690
Notes receivable and trade receivables	3,416	4,392	4,738	5,412	4,375	5,717
Inventories	3,849	6,567	5,344	6,157	6,262	5,598
Property, plant and equipment(include Right-of-use assets and Investment properties)	6,258	7,593	7,523	7,735	8,952	8,864
Total liabilities	11,792	14,314	14,364	16,290	17,203	18,393
Long-term and short-term interest-bearing liabilities	10,469	11,846	12,656	13,559	15,249	15,268
Total equity	8,101	11,608	10,075	12,063	12,348	12,557
	2020	2021	2022	2023	2024	1H25
Days Sales Outstanding	109	101	97	116	122	96
Days Inventory Outstanding	151	179	141	153	184	122
Days Payable Outstanding	18	23	17	15	15	12
Cash Conversion Cycle	242	257	221	254	291	206



# Appendix





# Value chain creates competitive advantage

