



長榮鋼鐵股份有限公司
EVERGREEN STEEL CORPORATION

STOCK CODE: 2211

Evergreen Steel Online Investor Conference

NOVEMBER 25, 2021

Disclaimer

- EGST (the “Company”) is not responsible for updating or revising any information in this presentation, including all forward-looking insights, when new events or situations occur.
- Investors should treat the forward-looking insights in the preceding paragraph as flexible information that may be revised in the future instead of legally-binding promises. The information in this presentation does not express, imply or guarantee its correctness, completeness or reliability. It also does not provide a complete discourse of the Company, the industry and major future developments.

Agenda

1

- **Performance and Development of the Steel Structure Business**

2

- **Performance and Development of the Reinvestment Business**

3

- **Consolidated Financial Overview**

4

- **Q&A**

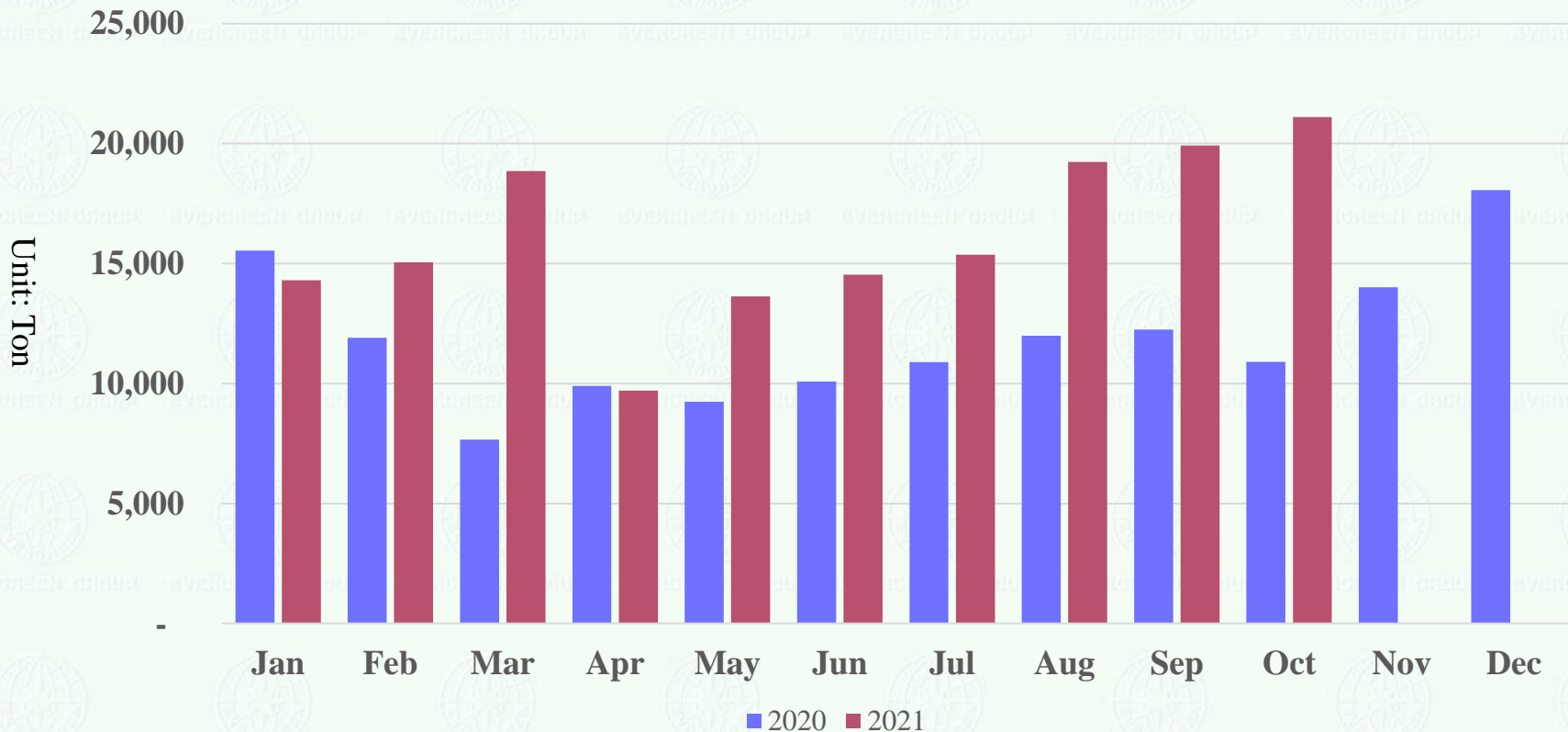


Performance and Development of the Steel Structure Business

Steel Structure Business Performance – Erection Volume Breakdown

Breakdown of the Steel Structure Erection Volume in the Past Year

Erection Volume



Steel Structure Business Performance – Order Breakdown

Current Orders (As of September, 2021)			New Orders (Between January, 2020 and September, 2021)		
Item	Tons	Ratio	Item	Tons	Ratio
Factories	101,852	46%	Factories	151,464	49%
Buildings	120,382	54%	Buildings	156,115	51%
Total	222,234	100%	Total	307,579	100%

Steel Structure Business Development

- New construction projects of factory/office buildings, factories for traditional and high-tech industries as well as a steady growth in public infrastructure projects have resulted in consistent growth for the steel structure industry.
- In response to rising raw materials prices and a shortage of labor, EGST (the “Company”) has implemented sound supplier management with a flexible price strategy for steel with our clients simultaneously.
- EGST (the “Company”) has been progressively going after large commercial development projects, high-tech factory projects, as well as steel structure residential and office building projects.



Performance and Development of the Reinvestment Business

Reinvestment Business Details

(1) Hsin Yung Enterprise Corporation:

A BOO project with the Taoyuan City Government, this corporation disposes of domestic garbage in Taoyuan City, collects general and industrial wastes, and sells the power generated from waste processing.

(2) Super Max Engineering Enterprise Co., Ltd.:

Mainly processes hazardous industrial waste and infectious medical waste.

(3) Ever Ecove Corporation:

① Approved and established in August, 2018, Ever Ecove facilities are currently under construction.

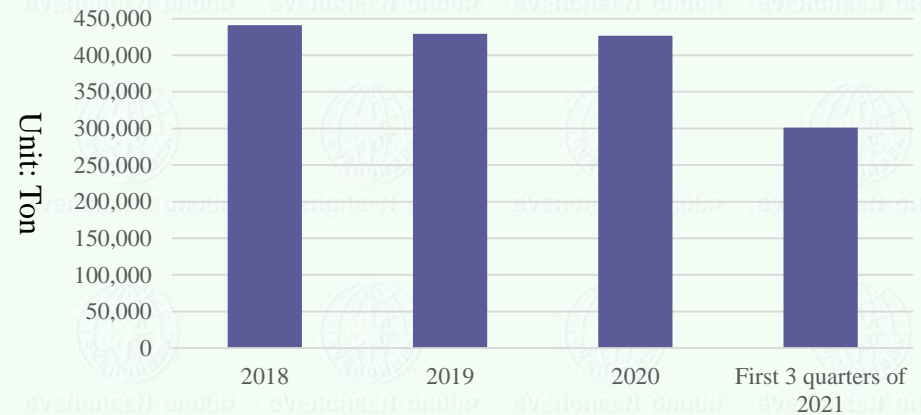
② In the future, it will mainly process domestic garbage in Taoyuan City, collect general and industrial wastes, and sell the power generated from waste processing.

Hsin Yung Business Overview

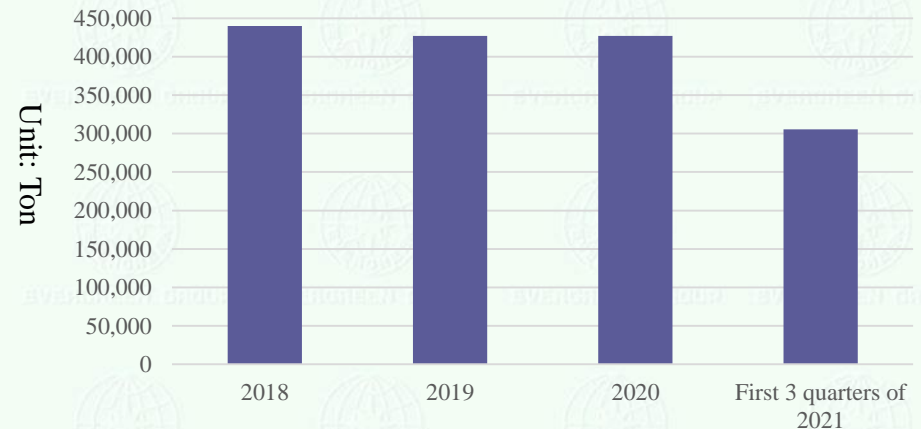
Year	Intake (ton)	Disposal (ton)
2018	441,021	439,825
2019	429,329	427,231
2020	426,652	427,119
First 3 quarters of 2021	301,278	305,650

- ◆ Steady business performance with consistent waste intake and disposal over the past 3 years.

Waste Intake



Waste Disposal

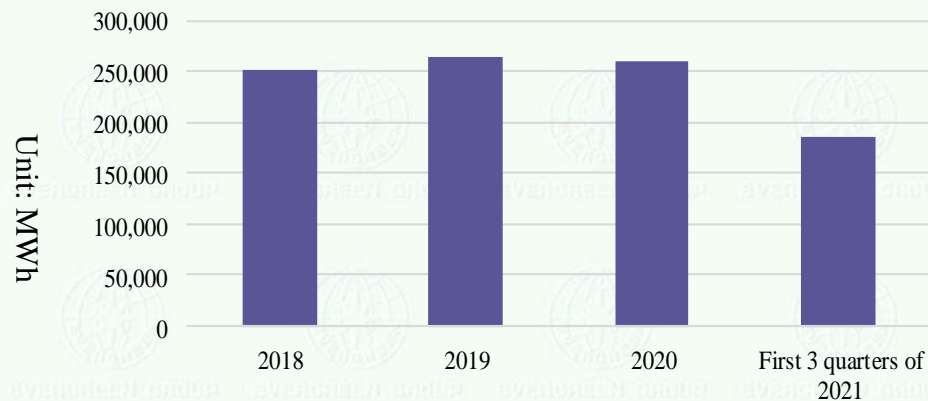


Hsin Yung Business Overview

Year	Power Generation (MWh)	Power Sold (MWh)	Ratio (%)
2018	252,360	221,293	87.69
2019	265,395	230,269	86.76
2020	260,582	224,944	86.32
First 3 quarters of 2021	185,912	159,457	85.77

◆ Steadily generating power at full load for the past 3 years.

Power Generated



Power Sales



Hsin Yung Future Prospects

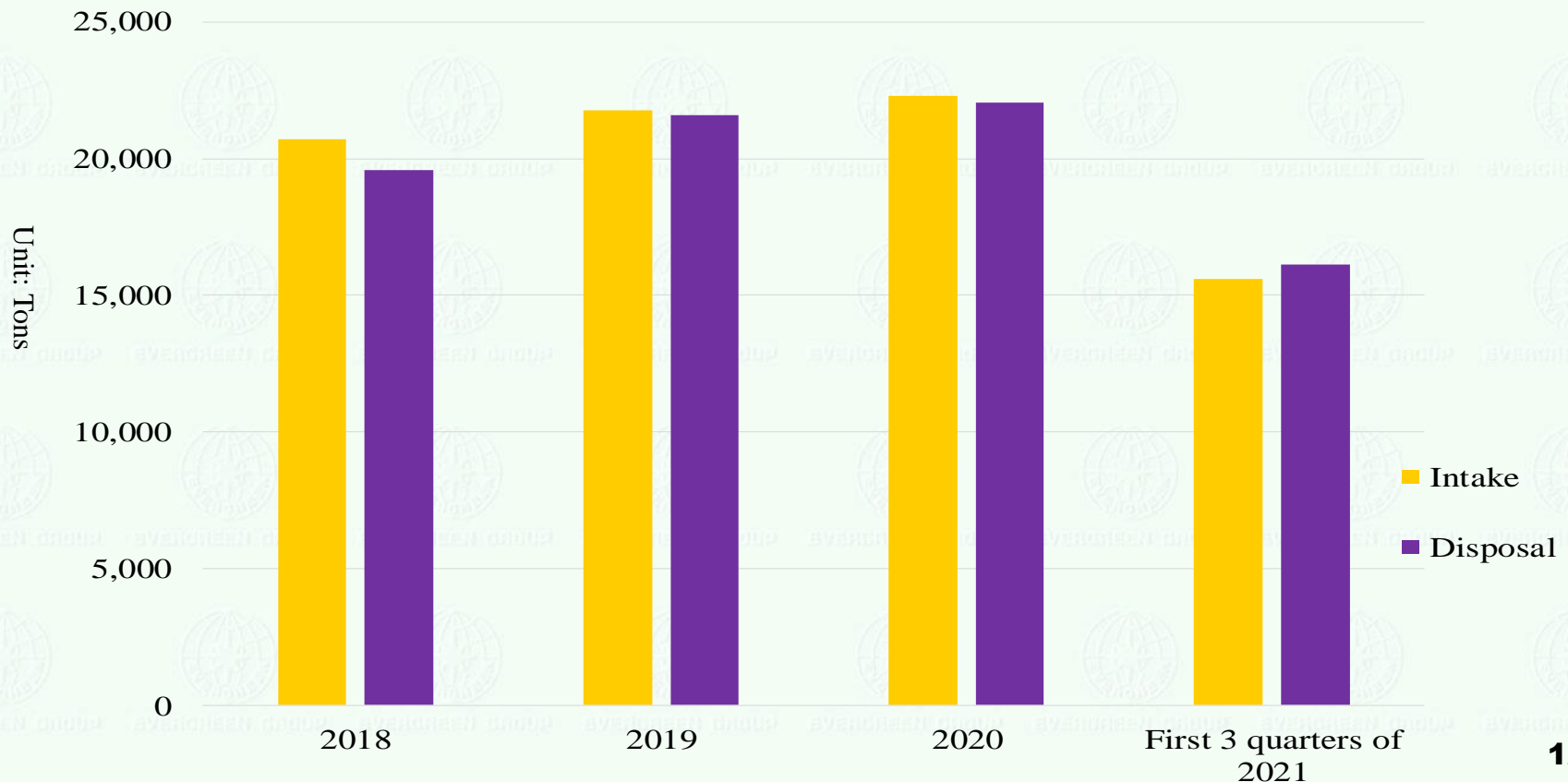
- Hsin Yung's BOO contract with the Taoyuan City Government expired on October 8, 2021 and was renewed on October 9, 2021.
- Considering that the calorific value of waste is rising in Taiwan (especially among the six municipalities) and the government is committed to reducing pollution emissions, Hsin Yung will upgrade its incinerators incorporating advanced waste disposal and pollution prevention technologies from abroad. Once the BOO contract expires, Hsin Yung will continuously improve and update its facilities in response to the current waste disposal bottleneck (waste generation $>$ disposal capacity). Hsin Yung believes that, overall, it will have steady and consistent operational capacity in the future.

Super Max Engineering Business Overview

Waste intake and disposal for the past 3 years

Unit: Ton

Year	2018		2019		2020		First 3 quarters of 2021	
Waste	Intake	Disposal	Intake	Disposal	Intake	Disposal	Intake	Disposal
Annual Statistics	20,718	19,572	21,760	21,594	22,314	22,042	15,602	16,131



Super Max Engineering Future Prospects

- In response to the government's emissions reduction policy, Super Max continues to improve its air pollution prevention and promote capabilities and increase its waste disposal capacity.
- For Super Max's new incinerator, the construction team has followed the basic design and the scope of subcontracted work provided by the consultancy company, collected and compiled the invitation to bid documents for the 6 subcontracted projects. The bids will be reviewed and contracts will be negotiated with the winning tenderer(s). Super Max expects that the completion of the new incinerator will increase its waste disposal capacity and overall competitiveness.

Ever Ecove Future Prospects

- After its completion, Ever Ecove is expected to provide a capacity of 219,000 tons of thermal waste treatment and 49,275 tons of anaerobic digestion per year. It will also accommodate over 25,000 cubic meters of solidified landfill waste. In addition, the waste will be used to generate renewable energy and it is expected to generate 200 million kWh of power.
- The pandemic has slowed down construction progress and Ever Ecove is now expecting to begin commercial operation in 2022.



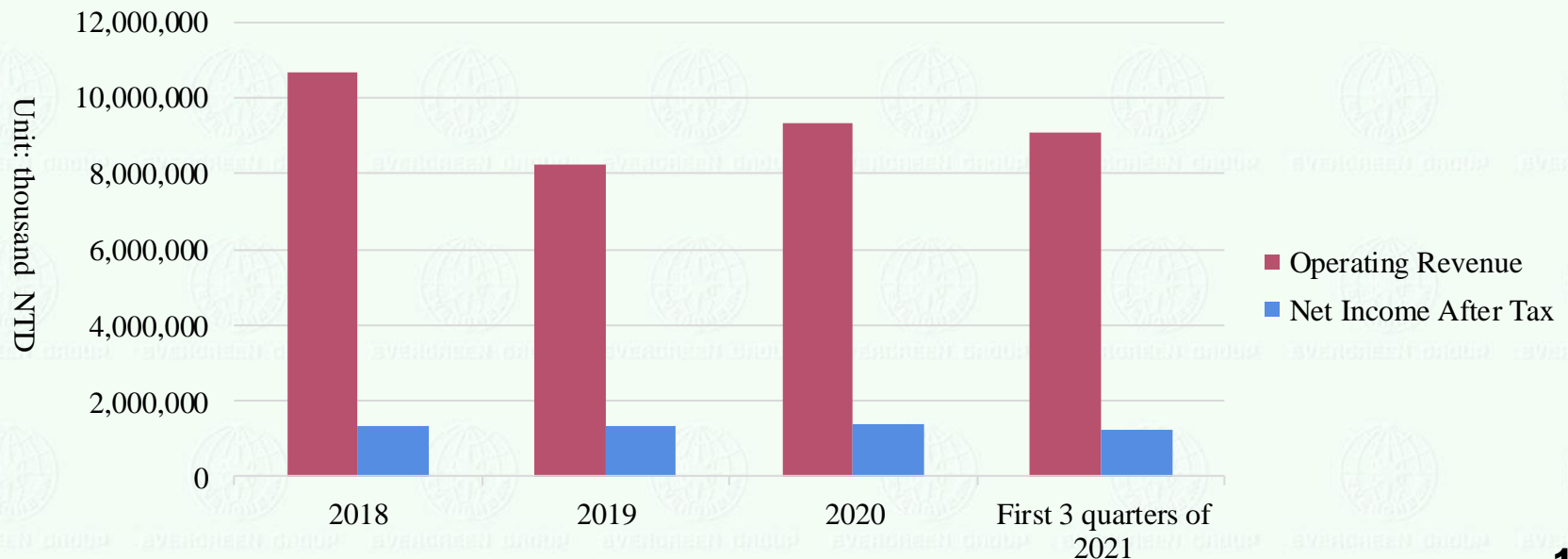
Consolidated Financial Overview

Consolidated Financial Overview

◆ Evergreen Steel's Financial Overview for the Past 3 Years

Unit: 1,000 NTD

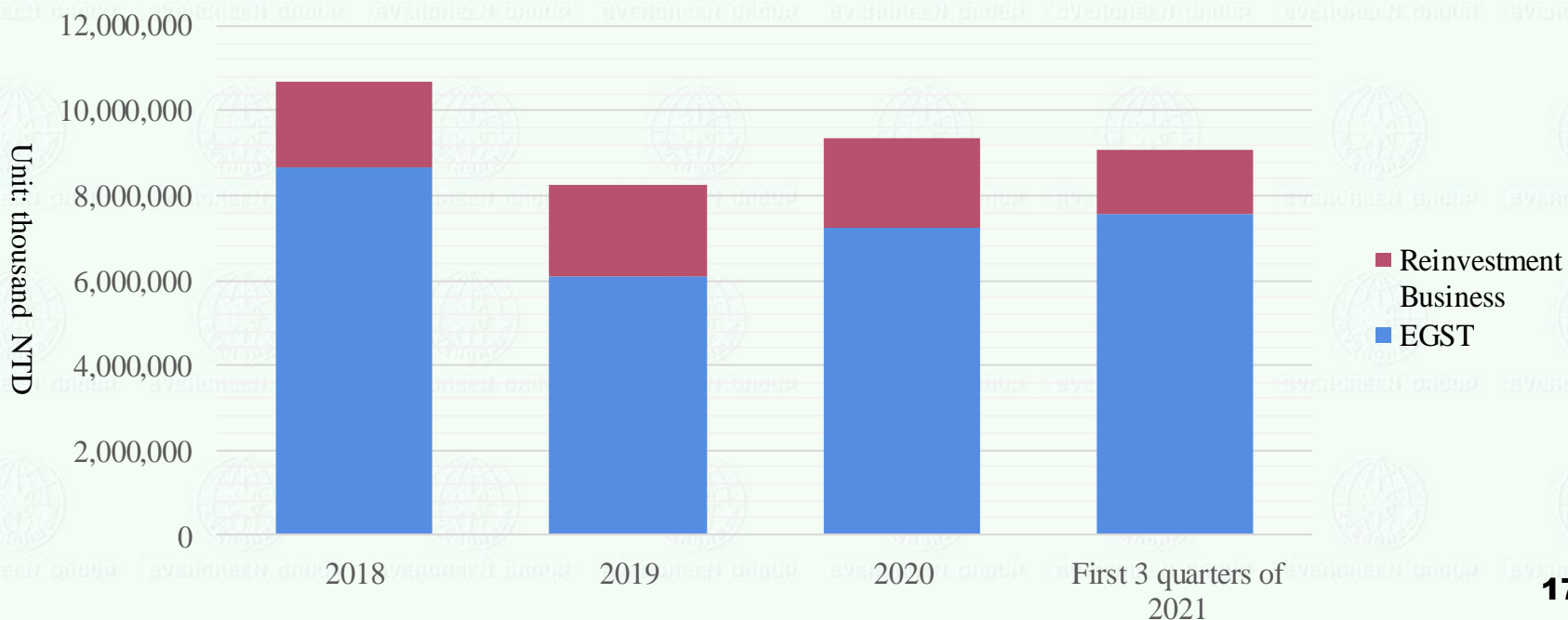
Item	2018	2019	2020	First 3 quarters of 2021
Operating Revenue	10,685,318	8,268,207	9,349,649	9,082,592
Operating Profit	1,449,667	1,336,124	1,534,312	1,333,444
Net Income After Tax	1,310,339	1,325,958	1,404,259	1,245,296
EPS (NTD)	2.53	2.44	2.65	2.43



Consolidated Financial Overview

◆ Evergreen Steel's Sources of Operating Revenue for the Past 3 Years Unit: 1,000 NTD

Company Name	2018	2019	2020	First 3 quarters of 2021
EGST	8,657,027	6,109,403	7,263,895	7,567,312
Reinvestment Business	2,028,291	2,158,804	2,085,754	1,515,280
Total	10,685,318	8,268,207	9,349,649	9,082,592

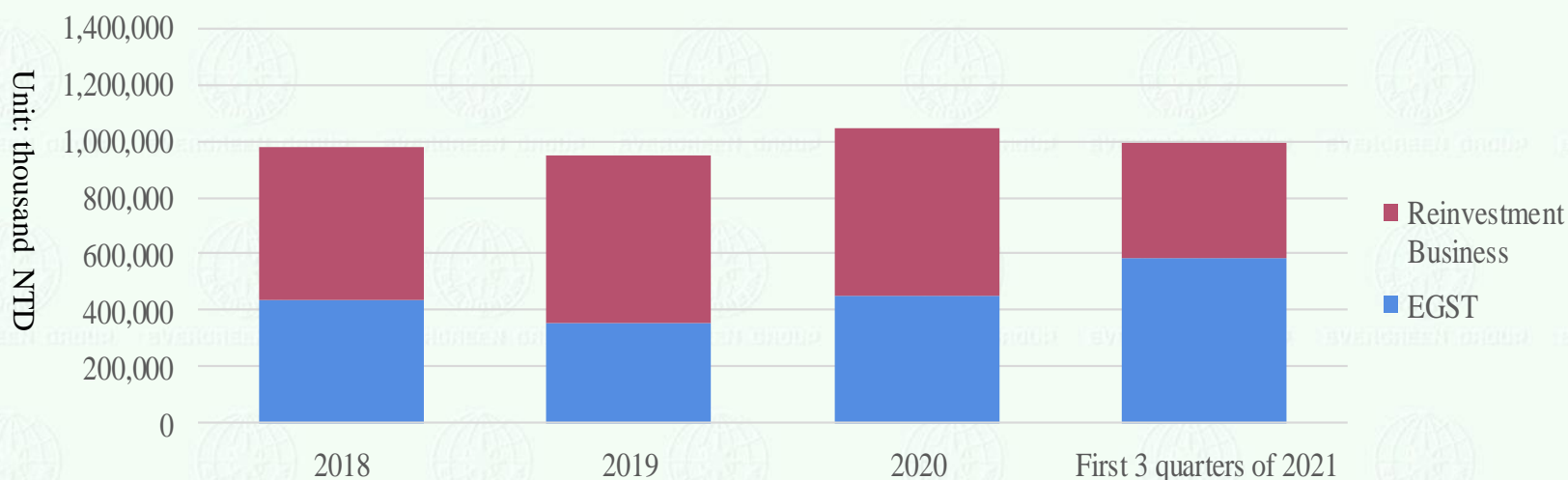


Consolidated Financial Overview

◆ Evergreen Steel's Sources of Net Profit for the Past 3 Years

Unit: 1,000 NTD

Company Name	2018	2019	2020	First 3 quarters of 2021
EGST	437,620	356,517	449,024	582,522
Reinvestment Business	542,737	590,920	594,625	410,090
Net Profit for the Parent Company	980,357	947,437	1,043,649	992,612



Consolidated Financial Overview

◆ Financial performance Q3, 2021 and YoY comparison of Evergreen Steel

Unit: 1,000 NTD

Item	Q3, 2021	Q3, 2020	Difference	Ratio
Operating Revenue	3,432,910	2,318,881	1,114,029	48.04%
Operating Profit	534,912	456,060	78,852	17.29%
Net Income After Tax	576,769	471,505	105,264	22.33%
EPS (NTD)	1.16	0.95	0.21	22.11%

◆ Financial performance first 3 quarters, 2021 and YoY comparison of Evergreen Steel

Unit: 1,000 NTD

Item	First 3 quarters in 2021	First 3 quarter in 2020	Difference	Ratio
Operating Revenue	9,082,592	6,757,823	2,324,769	34.40%
Operating Profit	1,333,444	1,158,241	175,203	15.13%
Net Income After Tax	1,245,296	1,070,685	174,611	16.31%
EPS (NTD)	2.43	2.03	0.40	19.70%



Thank You



Q&A

