



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

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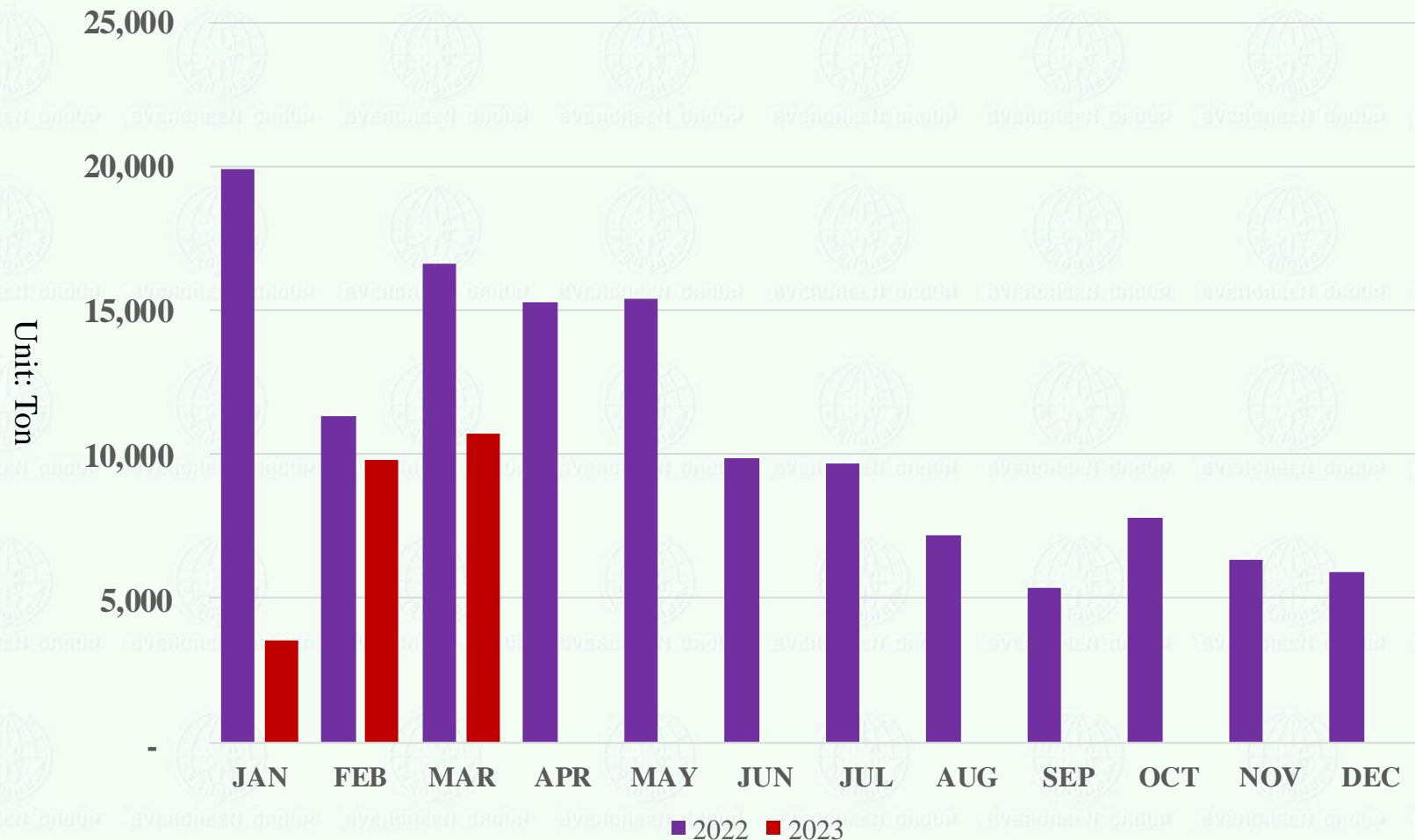
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Performance and Development of the Steel Structure Business

Steel Structure Business Performance – Erection Volume Breakdown

Breakdown of the Steel Structure Erection Volume in the Past Year



Steel Structure Business Performance – Order Breakdown

Current Orders (As of March, 2023)			New Orders (Between January, 2022 and March, 2023)		
Item	Tons	Ratio	Item	Tons	Ratio
Factories	94,792	41%	Factories	99,574	53%
Buildings	122,459	53%	Buildings	76,913	41%
Bridges	12,535	6%	Bridges	12,535	6%
Total	229,786	100%	Total	189,022	100%

Steel Structure Business Development

- Recently, the structural steel market has fallen from its peak due to inflation, the declining economy, and the government's policy to curb housing speculation. In addition, the delay of certain construction projects has also caused the demand for structural steel products to slow compared to the earlier peak in the business cycle.
- Demands from public construction projects (such as Taichung Arena, Dongshi-Fengyuan Expressway, and National Freeway 7), commercial buildings, and urban regeneration projects have consistently maintained structural steel market demand.
- With declining demand from factory construction projects in the technology industry, the Company will strive for public construction, urban regeneration, and commercial building projects. The Company will continue to monitor structural steel demand and order-filling capacity for next year based on current market orders, which are likely to improve.

Recently Completed Steel Structure Projects



Biomass Energy Center BOT Project
(Completed in January 2023)



**Evergreen International Storage &
Transport Corp.'s Dayuan Logistics Park**
(Completed in January 2023)

Recently Completed Steel Structure Projects



Kindom Construction's F
Construction Project in Sanchong
(Completed in January 2023)



Taoyuan Aerotropolis Free Trade Zone
Value-Added Building F10 Project
(Completed in March 2023)

Recently Completed Steel Structure Projects



Nangang Biotechnology
Industry Building
(Completed in May 2023)



Performance and Development of the Reinvestment Business

Reinvestment Business Details

(1) Hsin Yung Enterprise Corporation:

Mainly 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; the BOT project is expect to put into commercial operations in the second half of 2023.

② Mainly processes domestic waste and general industrial waste in Taoyuan City, wholesale the power generated from waste processing.

Hsin Yung Business Overview

Year	Intake (ton)	Disposal (ton)
2020	426,652	427,119
2021	408,919	415,340
2022	388,781	386,562
First quarter of 2023	87,129	86,159



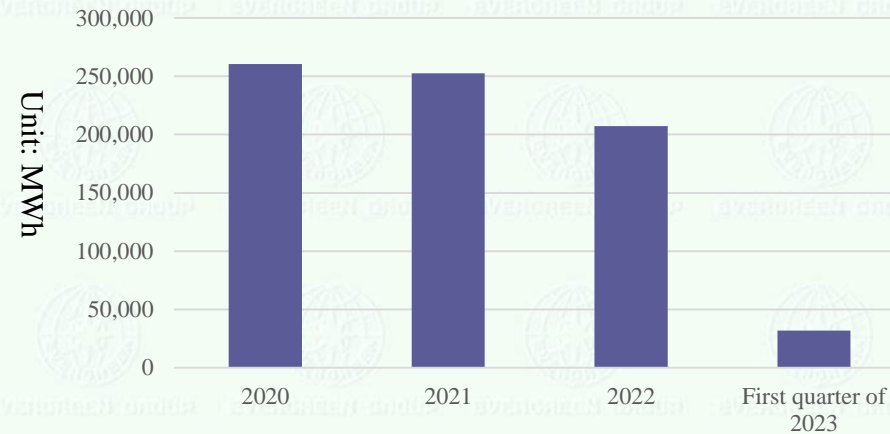
- ◆ Steady business performance with consistent waste intake and disposal over the past 3 years.

Hsin Yung Business Overview

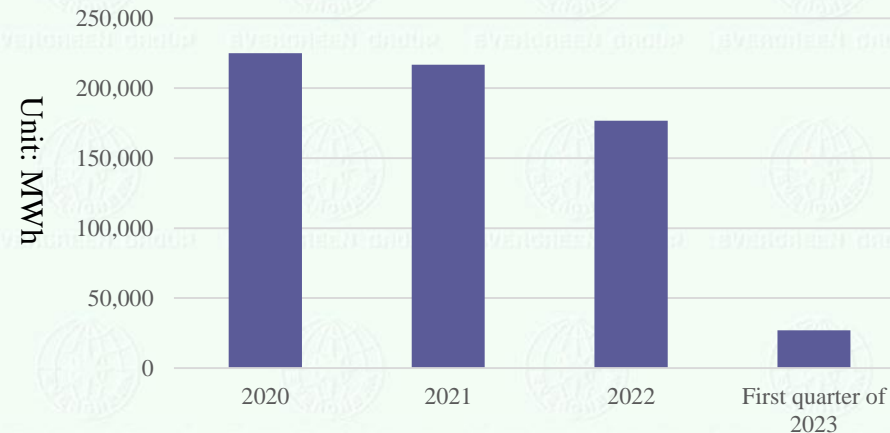
Year	Power Generated (MWh)	Power Sold (MWh)	Ratio (%)
2020	260,582	224,944	86.32
2021	252,595	216,728	85.80
2022	207,342	176,842	85.29
First quarter of 2023	31,910	26,894	84.28

- ◆ The Company maintained and upgraded its turbine control system between November 2022 and January 2023 and completed testing in February 2023.

Power Generated



Power Sold



Hsin Yung Future Prospects

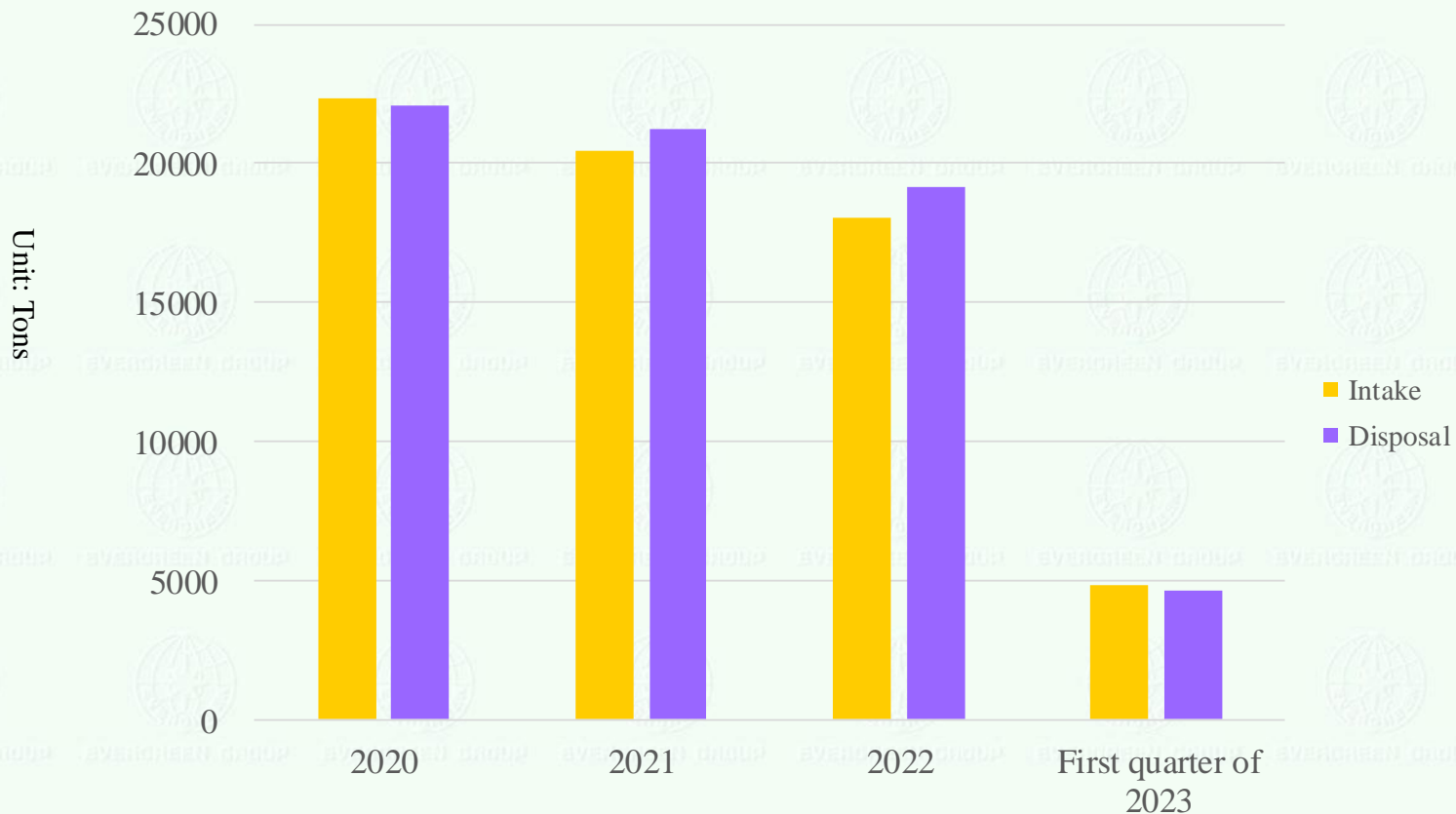
- Hsin Yung is currently fulfilling its 10+5 year contract with the Department of Environmental Protection of Taoyuan City (signed on March 1, 2023) for professional household waste processing.
- Considering the changes in waste composition and the fact that the government is committed to reducing pollution emissions, Hsin Yung will maintain and upgrade its incinerators incorporating advanced waste disposal and pollution prevention technologies from abroad for 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	2020		2021		2022		First quarter of 2023	
Waste	Intake	Disposal	Intake	Disposal	Intake	Disposal	Intake	Disposal
Annual Statistics	22,314	22,042	20,474	21,228	18,030	19,142	4,795	4,655



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.
- Super Max's new incinerator is expected to be completed in 2023 and complete trial burns in 2024. The company hopes that the new incinerator will increase its processing capacity and boost its overall competitiveness.

Ever Ecove Future Prospects

- The countdown to the commissioning period of the BOT project is in the second half of 2023.
- The capacity of waste disposal for the thermal treatment unit is 219,000 tons annually, 49,275 tons kitchen waste annually for the anaerobic digestion unit, over 25,000 cubic meters for the landfill. In addition, 200 million kWh of power annually is recognized as renewable energy.



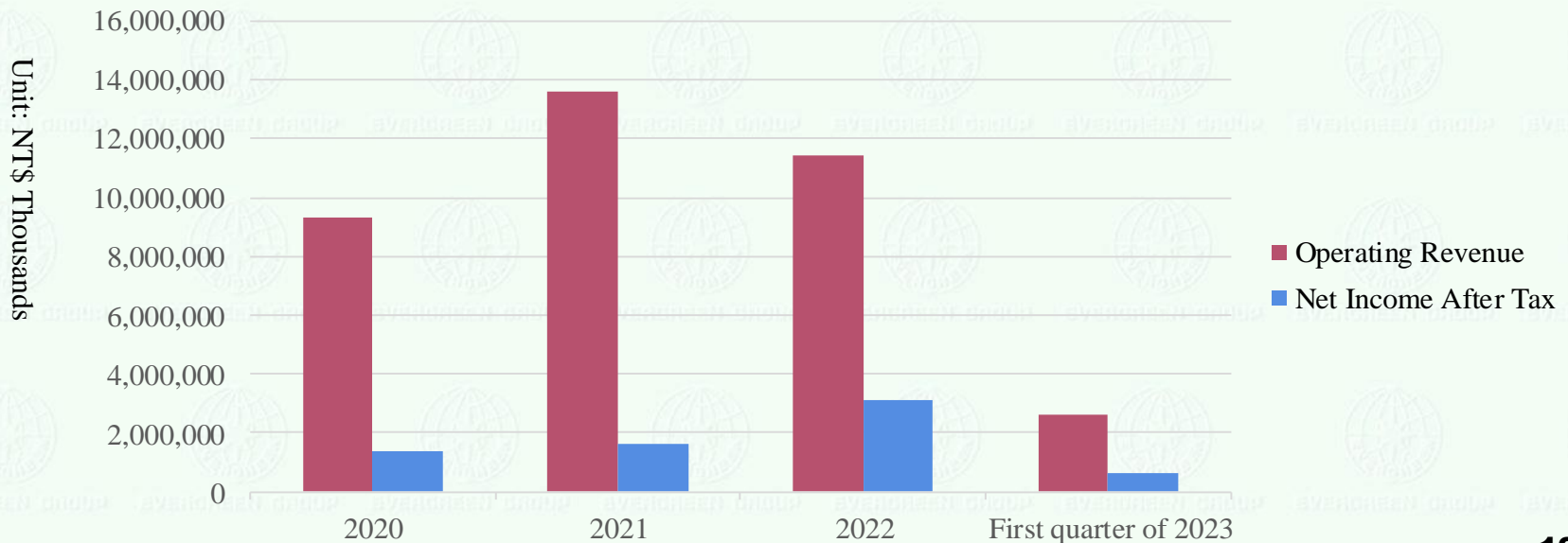
Consolidated Financial Overview

Consolidated Financial Overview

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

Unit: NT\$ Thousands

Item	2020	2021	2022	First quarter of 2023
Operating Revenue	9,349,649	13,608,597	11,439,152	2,591,703
Operating Profit	1,534,312	1,753,938	2,389,880	759,530
Net Income After Tax	1,404,259	1,604,262	3,089,161	619,000
EPS (NTD)	2.65	3.11	6.22	1.17

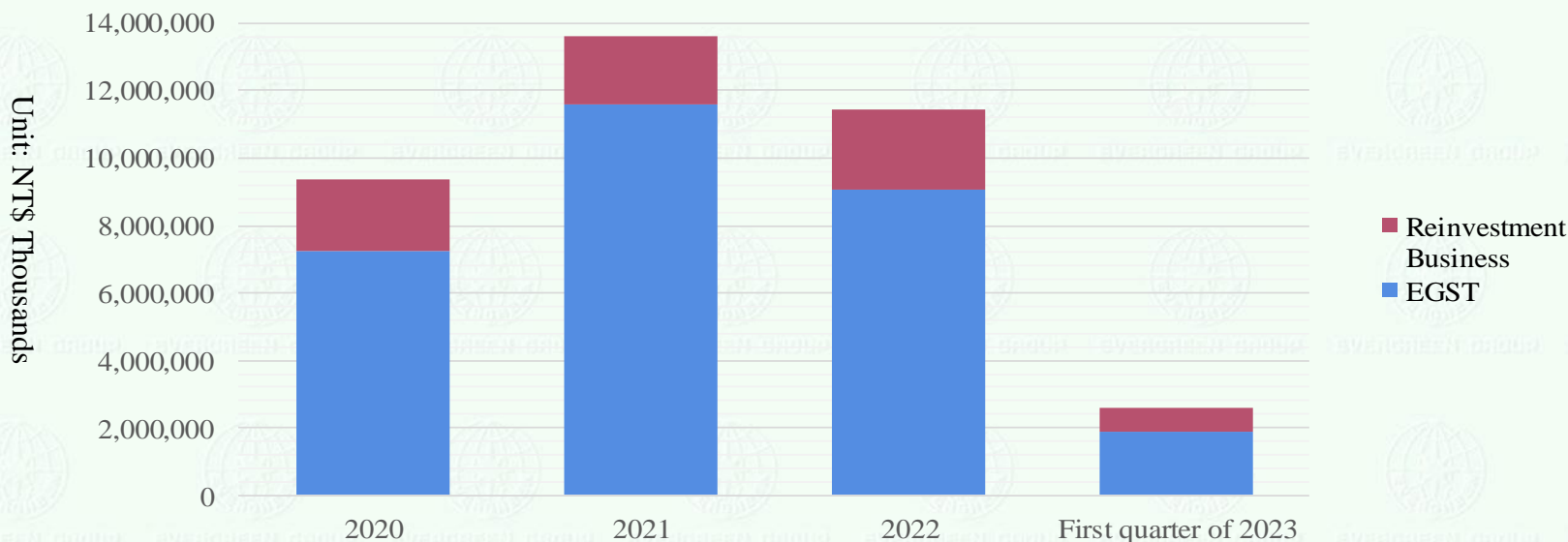


Consolidated Financial Overview

◆ Evergreen Steel's Sources of Operating Revenue for the Past 3 Years

Unit: NT\$ Thousands

Company Name	2020	2021	2022	First quarter of 2023
EGST	7,263,895	11,614,440	9,039,860	1,888,060
Reinvestment Business	2,085,754	1,994,157	2,399,292	703,643
Total	9,349,649	13,608,597	11,439,152	2,591,703

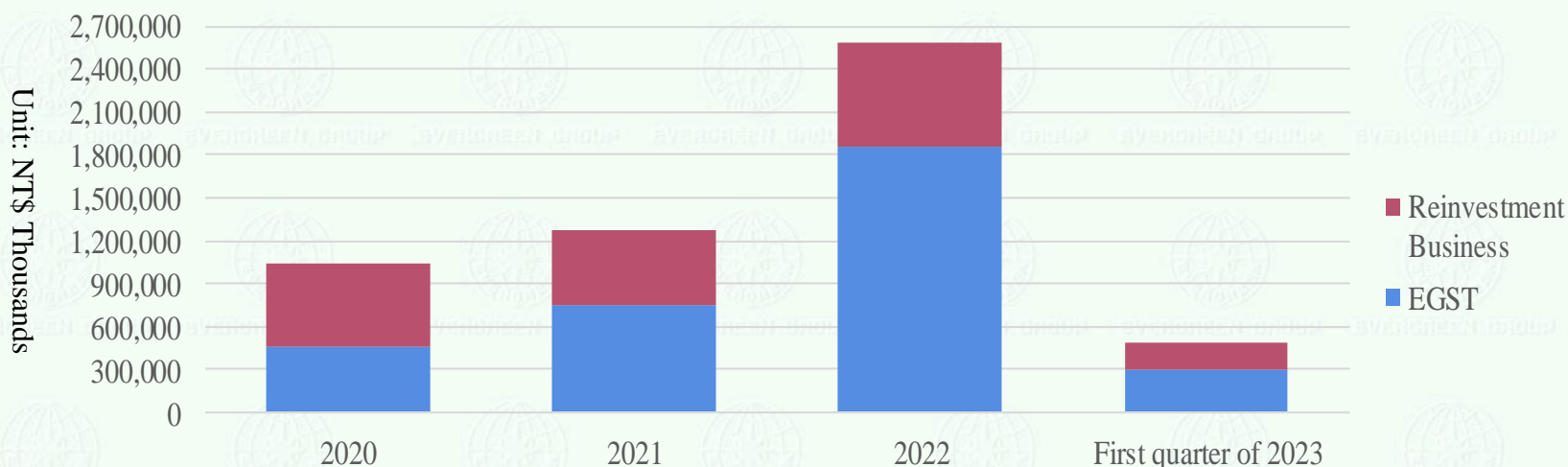


Consolidated Financial Overview

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

Unit: NT\$ Thousands

Company Name	2020	2021	2022	First quarter of 2023
EGST	448,934	747,899	1,855,375	297,774
Reinvestment Business	594,715	530,361	739,302	189,506
Net Profit for the Parent Company	1,043,649	1,278,260	2,594,677	487,280



Consolidated Financial Overview

◆ Financial performance Q1, 2023 and YoY comparison of Evergreen Steel

Unit: NT\$ Thousands

Item	Q1, 2023	Q1, 2022	Difference	Ratio
Operating Revenue	2,591,703	3,391,148	(799,445)	(23.57%)
Operating Profit	759,530	513,160	246,370	48.01%
Net Income After Tax	619,000	418,443	200,557	47.93%
EPS (NTD)	1.17	0.82	0.35	42.68%



Sustainable Development and Green Energy Policy

Sustainable Development



Environmental Protection

- In response to the 2050 net-zero emissions policy, the company has introduced and completed its greenhouse gas inventory and third-party certification in 2022.
- Replaced old machinery and switched to energy-saving counterparts.
- Conducted over NT\$5 million of green procurement and applied for Tainan City Government's "Excellent Green Procurement Business" certification.
- Held river cleaning and tree planting activities.



Social Inclusion

- Works with Chang Yung-Fa Foundation to sponsor scholarships and various charity events.
- Sponsors Evergreen Symphony Orchestra's classical music events.
- Works with Tainan Blood Center to hold blood drives.
- Helps the disadvantaged by sponsoring Taizi Community Development Association, adjacent to Xinying Factory, in its free food supply event.



Corporate Governance

- Implemented human rights policies, put in place a complete grievance system, and obtained ISO 45001 certification to build a friendly and safe working environment.
- Improved the IT system's safety controls, managed its access, and put in place an antivirus system.
- Enhanced disclosure and corporate governance transparency.

Green Energy Policy

In response to the government's 2050 net-zero emissions policy, the Company is committed to developing the green energy industry with the principles of energy conservation, carbon reduction, waste recycling, and renewable energy promotion.

1. Photovoltaics System

- Solar panels installed at the Hsingchu Factory (1,722 KW) and Xinyin Factory (499.8KW), totaling 2,221.8KW.
- More solar panels are planned to be installed at the Xinyin Factory in 2023, totaling 1,999.8KW.



2. Green Energy Industry Investment

The Company will continue to evaluate investment in power generation from biogas and biomass energy from animal husbandry and agricultural waste.



Thank You



Q&A

