



宏泰電工股份有限公司

HONG TAI ELECTRIC INDUSTRIAL CO., LTD

# 2025 2<sup>nd</sup> INVESTORS' CONFERENCE

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# AGENDA

01



Company's major events of 2025 H2

02



Financial Performance for the Third Quarters of 2025

03



Power Cable Division Operation Status

04



Future Outlook

# 1. Company's Major Events of 2025 H2



- The Guanyin Plant renovation is in progress.
- Set up ultra heat-resistant aluminum conductor steel-reinforced equipment
- ISO 50001 verification completed
- The subsidiary, Hong Hong Engineering, has applied for a one-year business suspension.
- Participated in 2025 Energy Taiwan & Net-Zero Exhibition .
- Recipient of the 2025 TCSA Taiwan Corporate Sustainability Awards – Sustainability Report Category – Traditional Manufacturing Industry (Category I) Bronze Award"



## 2. Financial Performance for the Third Quarters of 2025



Condensed Consolidated Income Statement for the Third Quarters of 2025 and the Previous Three Years

Unit: NT\$ '000, except for EPS

	2025Q3		2024		2023		2022	
Net Sales	5,901,351	100.0%	6,583,904	100.0%	6,195,025	100.0%	6,385,945	100.0%
COGS	5,049,648	85.6%	5,541,050	84.2%	5,323,372	85.9%	5,618,483	88.0%
Gross Profit	851,703	14.4%	1,042,854	15.8%	871,653	14.1%	767,462	12.0%
Operating Expenses	187,571	3.2%	242,691	3.7%	265,580	4.3%	244,575	3.8%
Operating Income	664,132	11.3%	800,163	12.2%	606,073	9.8%	522,887	8.2%
Non-Operating Income & Expenses	172,806	3.0%	144,740	2.3%	150,515	2.5%	29,984	0.5%
Income Before Tax	836,938	14.2%	944,903	14.4%	756,588	12.2%	552,871	8.7%
Income After Tax	692,481	11.7%	753,227	11.4%	628,751	10.1%	354,129	5.5%
EPS	2.19		2.38		1.99		1.12	

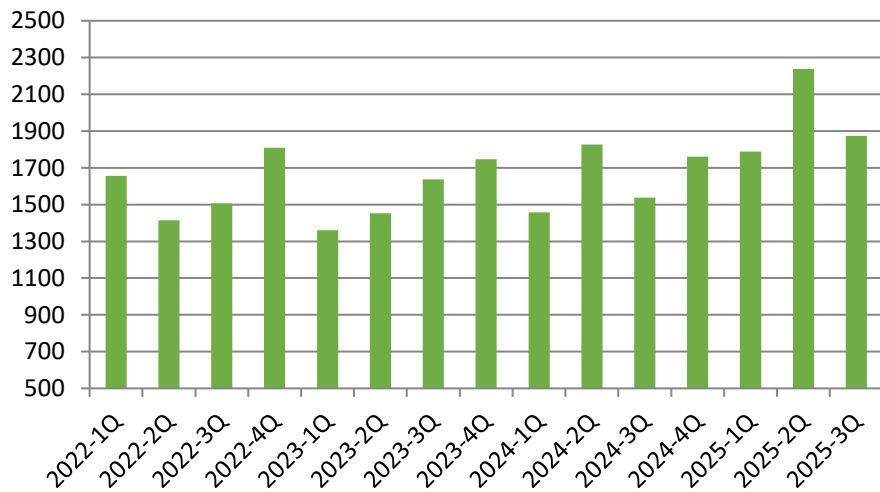


## 2. Financial Performance for the Third Quarters of 2025

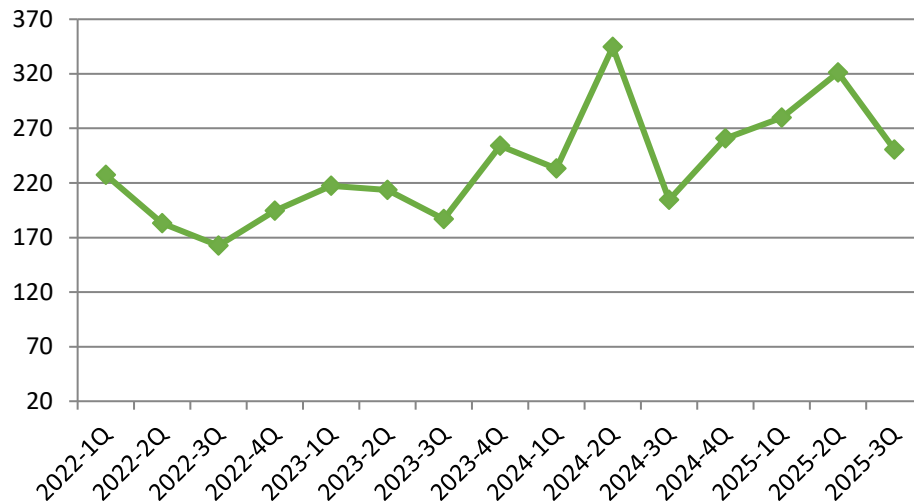


2022Q1 ~ 2025Q3 comparison of important operating indicators

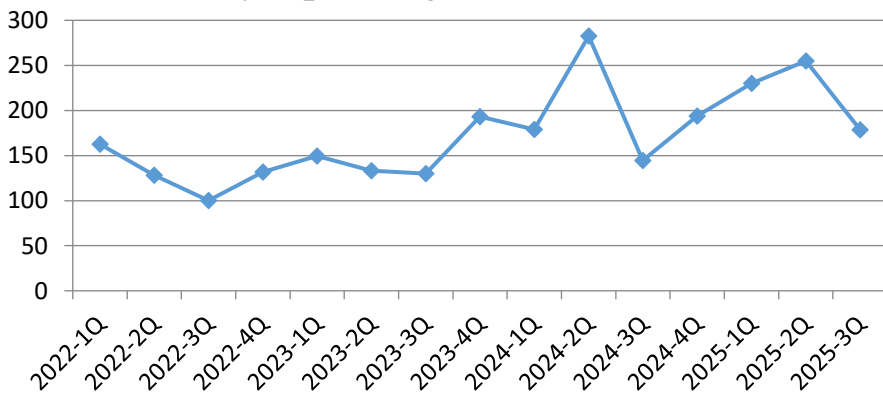
Quarterly Net Sales(NT\$m)



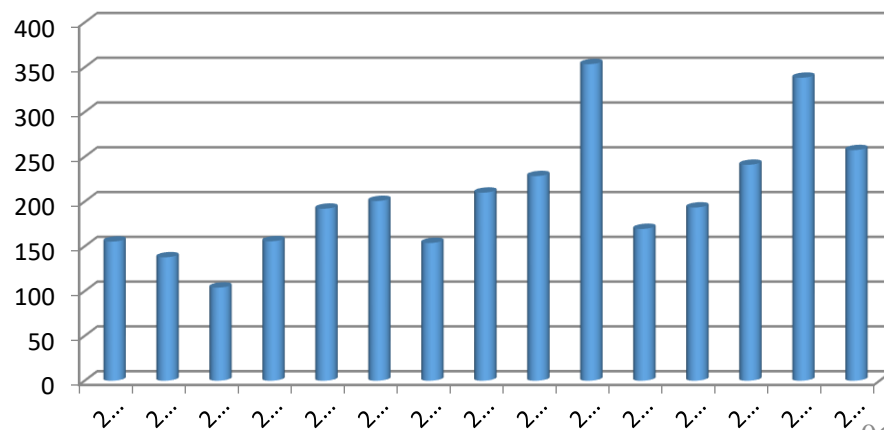
Quarterly Gross Profit(NT\$m)



Quarterly Operating Income(NT\$m)



Quarterly Income Before Tax(NT\$m)



## 2. Financial Performance for the Third Quarters of 2025



### 2022 ~ 2025Q3 Balance Sheet(consolidated)

	Accounts	2025/9/30		2024/12/31		2023/12/31		2022/12/31	
		NT(\$mn)	%	NT(\$mn)	%	NT(\$mn)	%	NT(\$mn)	%
Current Assets	1.Cash and cash equivalents	933.8	11%	781.1	9%	1,929.1	23%	2,420.7	29%
	2.Financial assets-current	354.1	3%	335.7	4%	318.3	4%	272.9	3%
	3.Accounts receivables and notes	778.2	9%	1313.6	15%	1,103.4	13%	888.0	11%
	4.Inventories	2,647.4	29%	2,378.8	27%	1,733.9	20%	1,848.8	23%
	5.Other Current Assets	102.8	1%	124	0%	78.7	0%	40.3	1%
	<b>Total current assets</b>	<b>4,816.3</b>	<b>53%</b>	<b>4,933.2</b>	<b>57%</b>	<b>5,163.4</b>	<b>61%</b>	<b>5,470.7</b>	<b>67%</b>
Non-Current Assets	1.Financial assets-non-current	2431	27%	1,928.3	22%	1,557.4	18%	1,059.1	13%
	2.investment for using equity method	162.8	2%	157.6	2%	133.0	2%	124.3	2%
	3.Property, plant and equipment	1,355.0	15%	1,311.1	15%	1,295.1	15%	1,333.9	16%
	4.Investment property	110.6	1%	111.2	2%	113.8	2%	114.6	1%
	5.Other non-current assets	207.8	2%	221.4	3%	233.5	3%	106.5	1%
	<b>Total non-current assets</b>	<b>4,267.2</b>	<b>47%</b>	<b>3,729.6</b>	<b>43%</b>	<b>3,332.8</b>	<b>39%</b>	<b>2,738.4</b>	<b>33%</b>
<b>Total Assets</b>		<b>9,083.5</b>	<b>100%</b>	<b>8,662.8</b>	<b>100%</b>	<b>8,496.2</b>	<b>100%</b>	<b>8,209.1</b>	<b>100%</b>
Liabilities	1.Current Liabilities	1,012.8	10%	902.8	11%	791.4	10%	916.6	11%
	2.Non-current liabilities	148.8	2%	159.9	2%	151.8	2%	186.1	2%
	<b>Total Liabilities</b>	<b>1,161.6</b>	<b>12%</b>	<b>1,062.7</b>	<b>12%</b>	<b>943.2</b>	<b>11%</b>	<b>1,102.7</b>	<b>13%</b>
Stockholders' Equity	1.Capital stock	3,160.8	35%	3,160.8	36%	3,160.8	37%	3,160.8	39%
	2.Capital surplus	200.1	2%	191.7	3%	191.7	3%	191.7	2%
	3.Retained earnings	4,453.5	49%	4,349.1	50%	4,159.8	49%	3,931.2	48%
	4.Other Stockholder Equity	106.0	2%	(103.9)	-1%	38.3	0%	(179.5)	-3%
	5.Non-controlling Interests	1.5	0%	2.4	0%	2.4	0%	2.2	0%
	<b>Total Equity</b>	<b>7,921.9</b>	<b>88%</b>	<b>7,600.1</b>	<b>88%</b>	<b>7,553.0</b>	<b>89%</b>	<b>7,106.4</b>	<b>87%</b>
<b>Total liabilities and stockholders' equity</b>		<b>9,083.5</b>	<b>100%</b>	<b>8,662.8</b>	<b>100%</b>	<b>8,496.2</b>	<b>100%</b>	<b>8,209.1</b>	<b>100%</b>

## 2. Financial Performance for the Third Quarters of 2025



### 2022 ~ 2025Q3 Financial Ratios (Consolidated)

Financial Ratios	Unit	2025Q3	2024	2023	2022
Debt to Asset Ratio	%	12.79	12.27	11.10	13.43
Current Ratio	%	475.56	546.41	652.47	596.88
Quick Ratio	%	204.77	269.85	423.68	391.48
Interest Coverage Ratio	times	479.25	544.99	550.05	492.00
Accounts receivable turnover	times/yr	7.52	5.45	6.22	9.02
Average collection days	days	48.53	66.97	58.68	40.47
Inventory turnover	times/yr	2.68	2.69	2.97	2.95
Average inventory turnover days	days	136.19	135.68	122.89	123.73
Return on Assets(yr)	%	10.43	8.80	7.54	4.19
Return on Equity(yr)	%	11.90	9.94	8.58	4.75
Gross profit margin	%	14.43	15.84	14.07	12.02
Operating profit margin	%	11.25	12.15	9.78	8.19
Net income margin	%	11.73	11.44	10.15	5.55
Earnings per share	NT\$	2.19	2.38	1.99	1.12





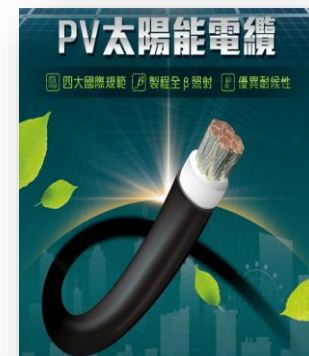
## Power Cables, Solar Cables



# Competitive advantages of Power Cable Division



- We offer a complete product line, ranging from 600V to 161kV cables.
- A key supplier of private heavy power engineering and UHV (Ultra-High Voltage) cables. (with a total manufactured length of approximately 2.7 million meters of EHV cables)
- Our wires deliver the outstanding performance in thermal, hydraulic, and wind power applications.
- We provide comprehensive technical planning and services, including material and installation, demonstrating expertise in total solution projects.
- We established operation base in northern and southern Taiwan to enhance our service network coverage.
- Continuously advancing research and development innovation.



# Power plant projects, Public engineering projects & Projects of private enterprises



## Power plant projects

Dacheng offshore wind power demonstration wind plant, Talin Power Plant, Datan Power Plant, Linkou Power Plant, Taichung Thermal Power Plant, etc.

## Public engineering projects

Taipei MRT, Taiwan Taoyuan International Airport, Civil Aeronautics Administration, Ministry of Transportation and Communications, Taichung MRT, etc.

## Projects of private enterprises

Uni-President Logistics Center, Large Silicon Valley Plant, Taiwan Data Center, TSMC, Innolux, AUO, Technology factory in Japan, etc.





# Exhibition Record



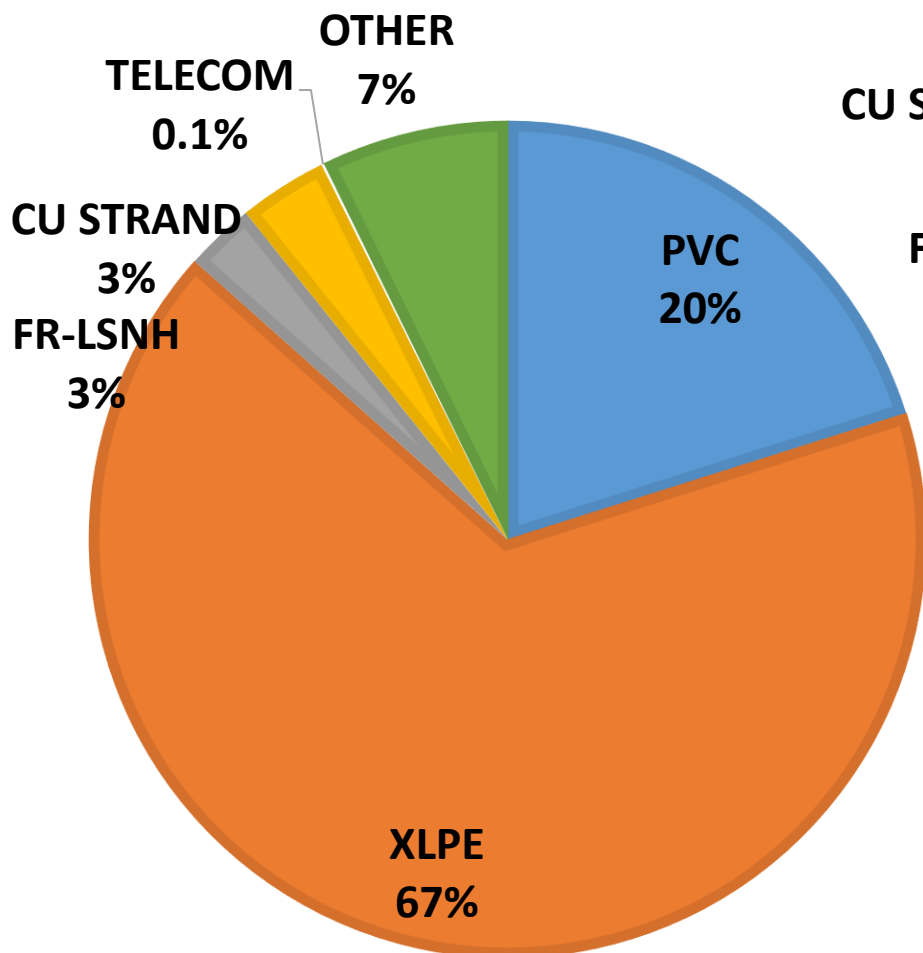
## 2025 Energy Taiwan & Net-Zero Exhibition



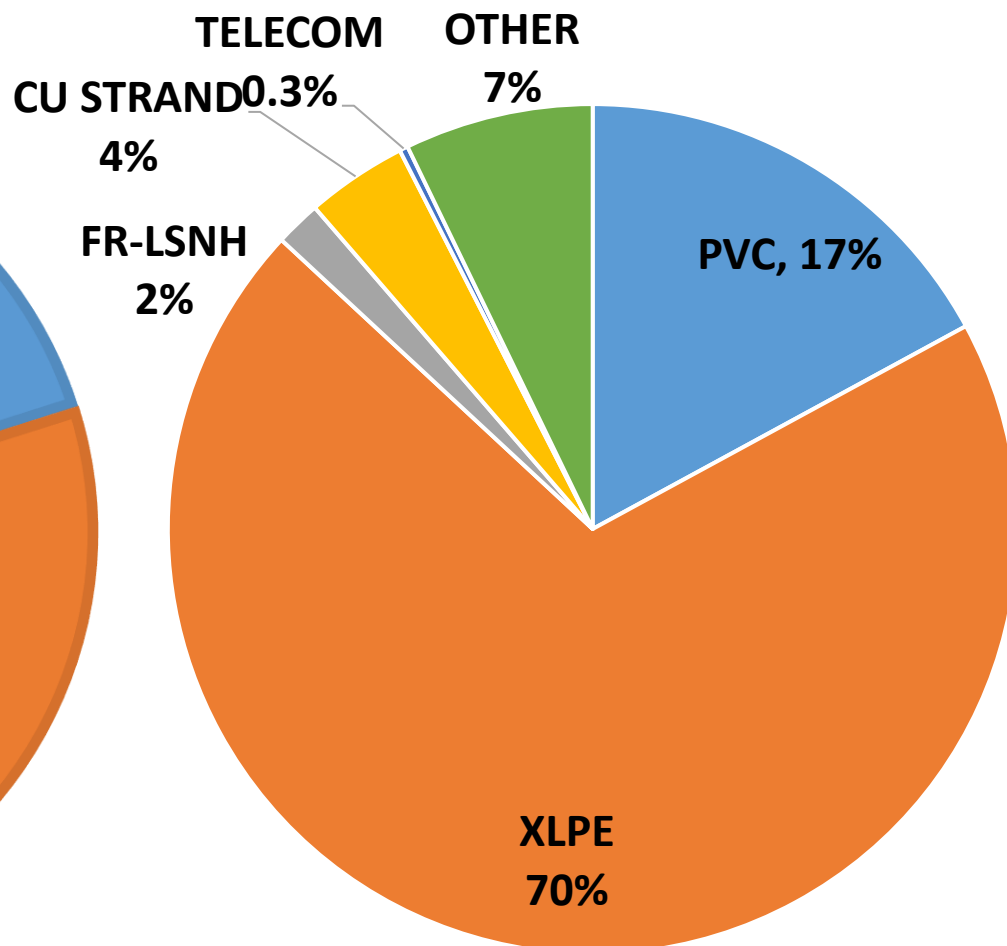
# Product Portfolio



2024



2025 Q1~Q3



# 4. Future Outlook



- **Power Cable Division:**

In 2026, the public construction budget is expected to increase compared with 2025, mainly due to the government's promotion of energy transition, green energy policies, and the Resilient Power Grid Program. The initiative aims to prioritize the completion of key regional and livelihood projects by 2028. Taiwan Power Company's energy development plan will outline updated initiatives, creating an estimated NT\$788.9 billion business opportunity between 2025 and 2035.

In the private sector, demand from AI data centers and technology manufacturers continues to rise. However, the industry also faces challenges such as labor shortages in construction, weakened demand, and the impact of green building standards and carbon fee policies. Overall, the domestic wire and cable market is expected to maintain steady demand in 2026.

We plan to repurpose the facility previously allocated to the discontinued CCL business to support this expansion, while continuing to develop new technologies, enhance overall production efficiency, and participate in exhibitions to expand our customer base.

- **Development Division:**

For investment properties, the Company will evaluate their future development potential and the sustainability of investment returns. Depending on profitability, properties may be sold and reinvested in assets with lower entry costs to optimize capital utilization. We will continue to assist in the acquisition and development of land adjacent to the Guanyin Plant to support future expansion needs.

# 4. Future Outlook



- **Investment Division:**

The 2026 investment strategy will continue to focus on potential recession risks arising from trade tariffs, stagflation, the pace of the Fed's rate cuts, geopolitical developments, and the shifting of supply chains between the U.S. and China.

As the market is currently trading at elevated levels, the aggressive strategy will target industries with strong growth potential, distinct advantages, and favorable mid- to long-term trends — taking positions during short-term headwinds or market corrections. The conservative strategy, on the other hand, will favor high-dividend and low-volatility financial instruments to maintain a balance between offense and defense.

Across short-, medium-, and long-term horizons, the overall strategy emphasizes flexible capital allocation and sound risk management, aiming to achieve stable returns and sustainable capital appreciation amid a rapidly changing global landscape. Investment portfolios will be regularly reviewed for potential value and long-term sustainability to ensure financial performance accurately reflects market conditions.

- **Sum up:**

In 2026, overall economic uncertainty remains high, and investments will adhere to a prudent and stable approach. While policy-driven demand continues to support the wire and cable market, private-sector demand may soften. The Company will continue to monitor inventory levels and copper price fluctuations to mitigate operational risks and maintain business stability.





Q & A ?

Thank You ●