

2021 Q3 Online Forum Yeong Guan (1589.TW)

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Carbon Neutral & Market Trends

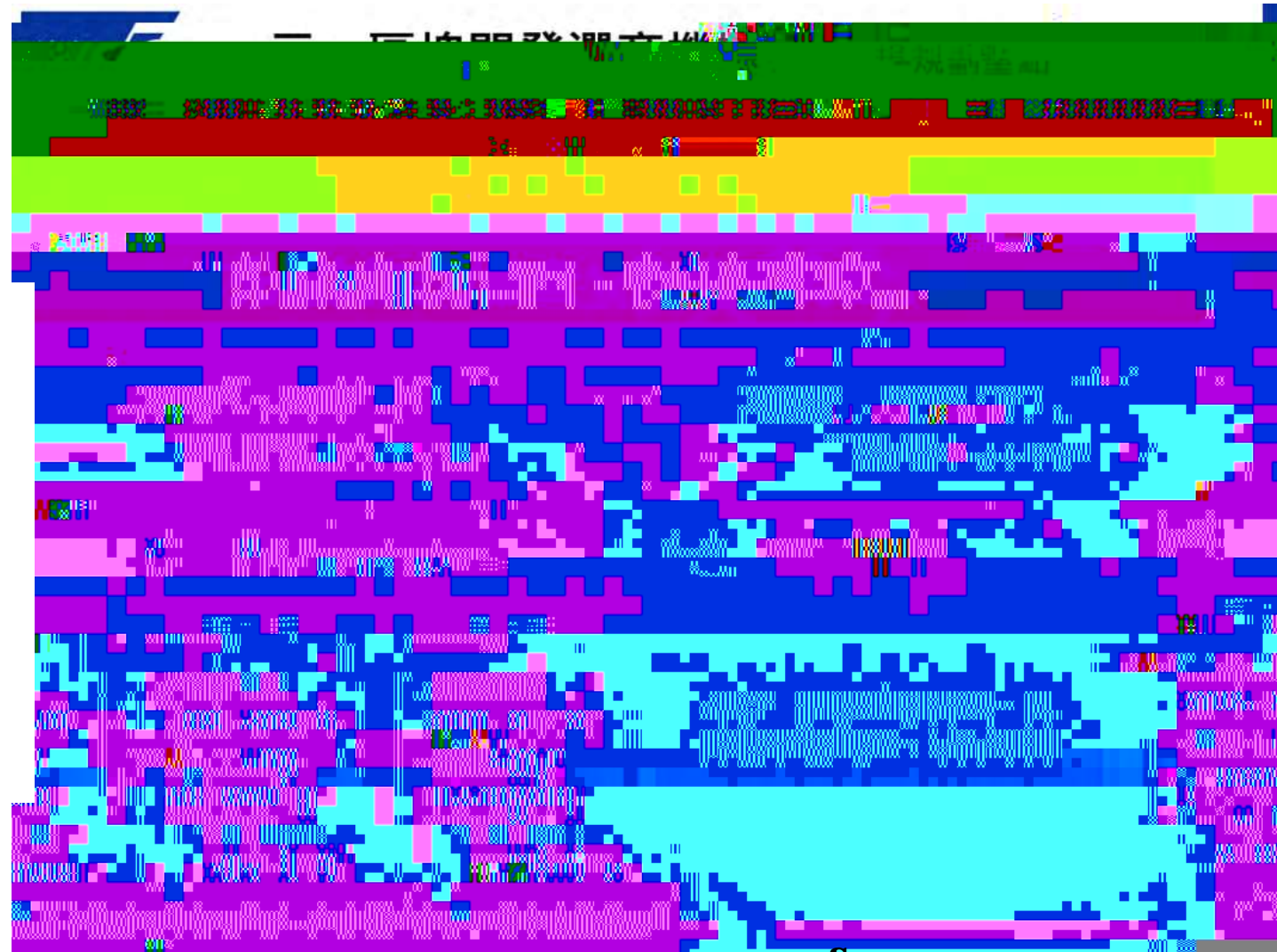


Offshore Wind in Taiwan



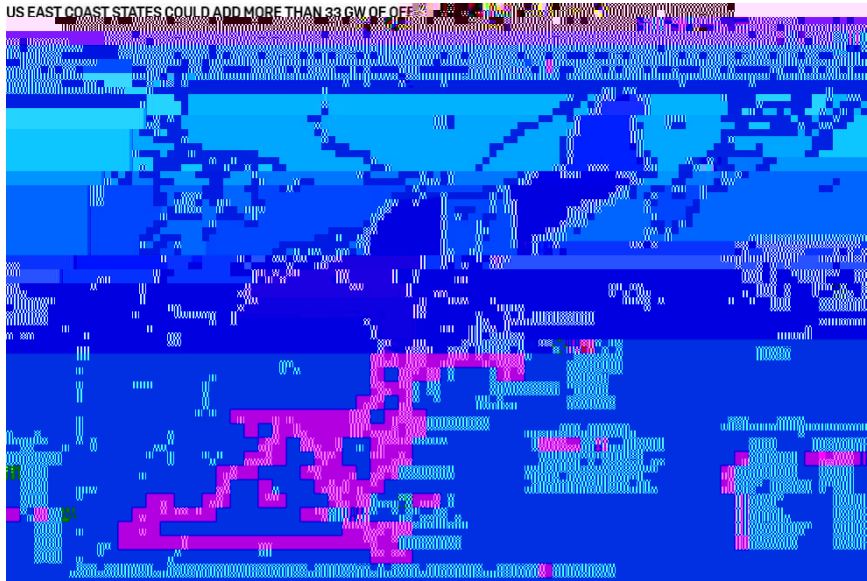
Offshore Wind in Taiwan

In H1 2021, SGRE unveils 14MW turbine while Vestas announces 15MW turbine
One 14MW uses 150 tons of castings
15GW equals 150,000 tons or 15,000 tons/year demand for castings



Source:

US Wind Market Developments



In 2020, US installed 17 GW of new wind energy, expects to add 21 GW more in 2021

Various States declares 2030 wind energy installation targets: New York 30 GW, California 30 GW, Virginia 12 GW, New



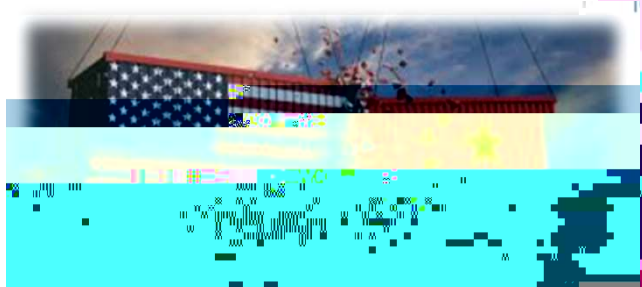
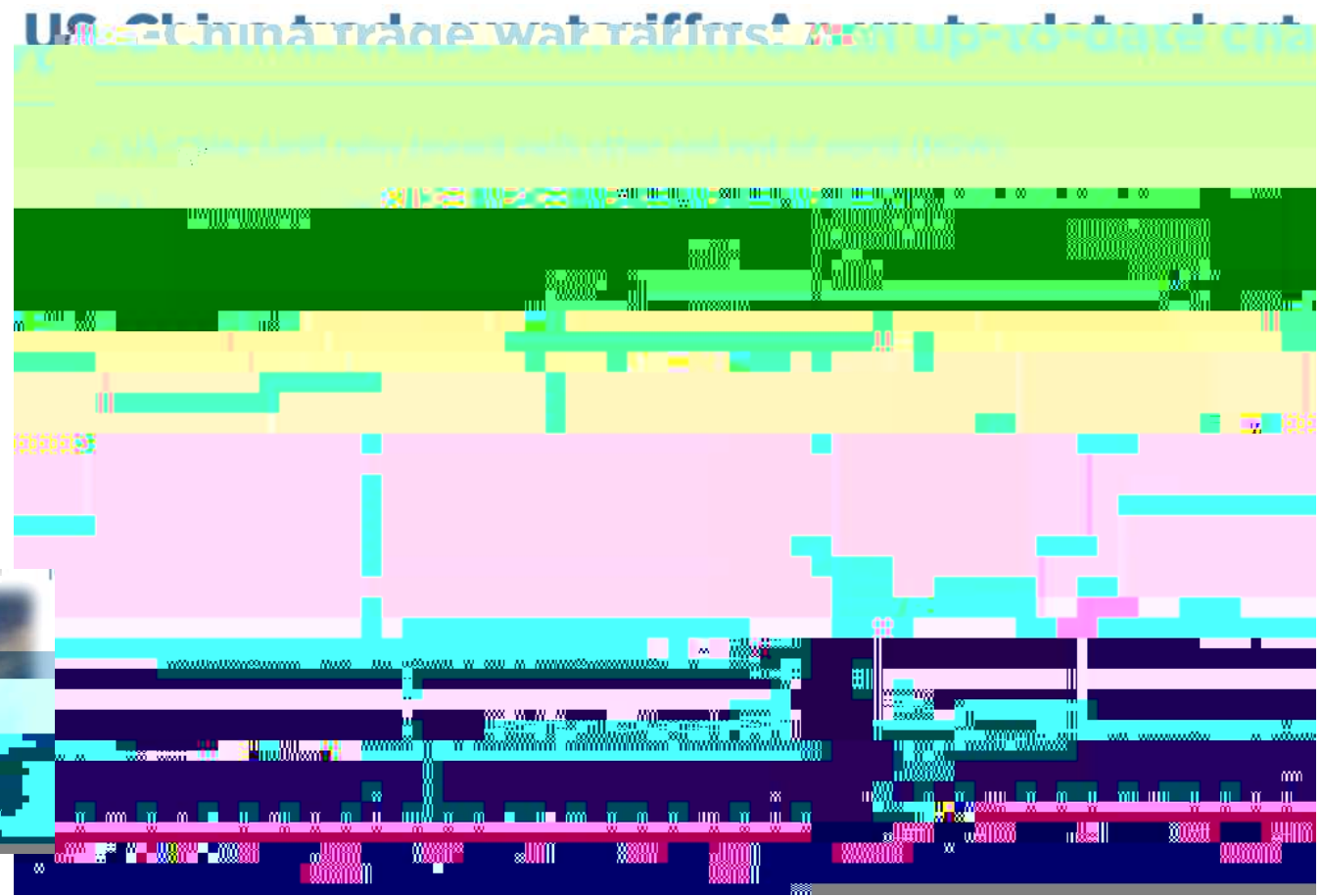
Biden Administration Achieve net zero greenhouse gas emissions by 2050. By 2030, reduce greenhouse gas emissions by at least 50% compared to 2005 levels.

Build 30 GW of Offshore Wind by 2030

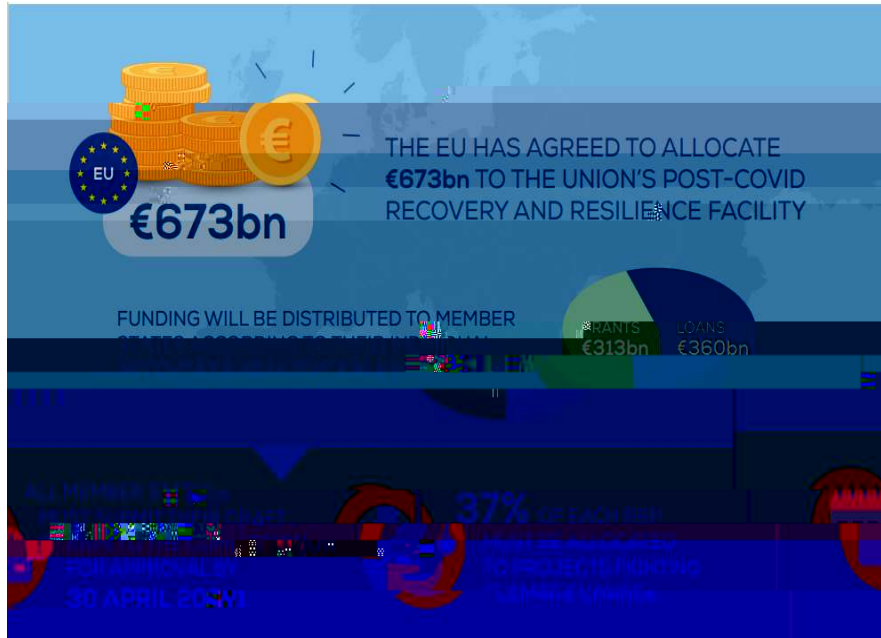
US Department of Energy to spend USD 3 billion on offshore wind development



**For Pres Trump's 25% tariffs against Chinese Wind castings still in effect.
YGG Taichung factory will be an strategic supplier for wind assembly plants in
US**



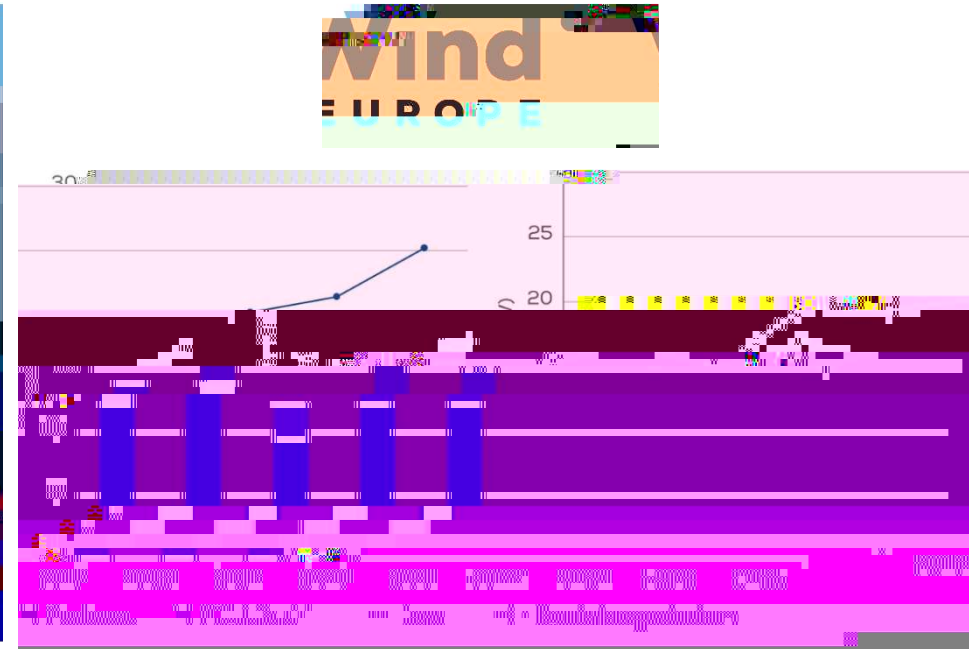
EU Wind Market Developments



Source: WindEurope

EU's economic recovery package is as high as 673 trillion Euros, and member states are required to submit their national budget plans by the end of April.

EU requires member states to invest 37% of their budget in projects that can combat climate change.



Source: WindEurope

During 2020, new orders for wind turbines increased 73%

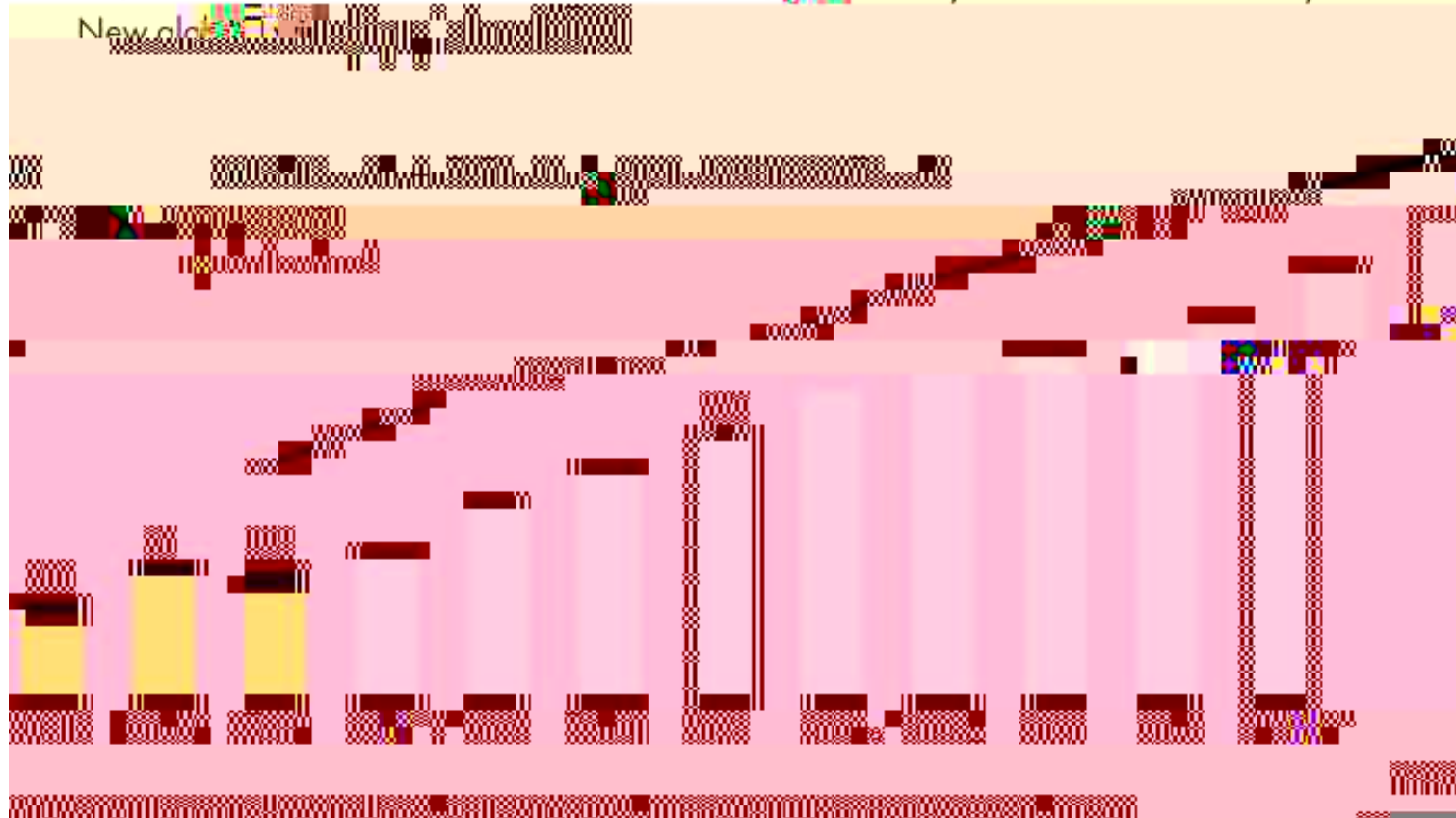
Onshore turbine orders increased 13% to 82GW

Offshore turbine orders increased 6 folds to 64GW

Carbon Neutrality by 2050

**International Energy Agency forecasts huge growth in renewables to reach 2050 goal
If governments increase wind investments, wind market can reach 160 GW year by 2025**

Annual wind installations must increase dramatically to reach net zero by 2050



Business Updates &

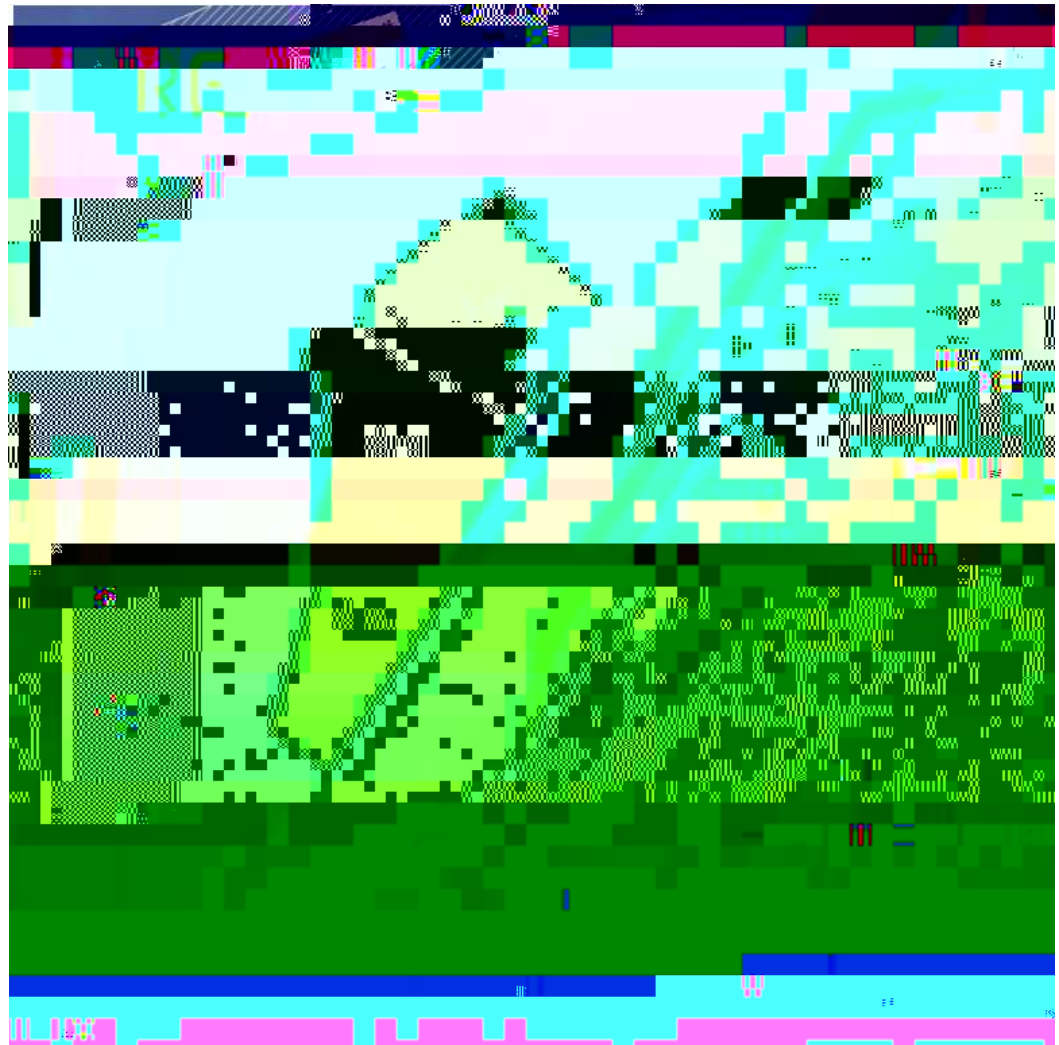


YeongGuan joins Taiwan Wind Developer



Offshore wind power Taiwan team plans large scale wind farm project Fomosa 4 and Fomosa 5 The potential total installation capacity is as high as 4.4GW (million kW), which can meet the electricity demand of about 4.5 million households

As a wind farm developer, YGG gains insight on market requirements for the supply chain, to enhance the company's overall competitive advantage.



Taichung Plant to Start Production in 2022

**Timeline: Construction started in 2020
targeting trial production by Q2 2022**

Capacity: 80,000 100,000 tons/year

45Kby 2023, 60Kby 2024, 80Kby 2025

Advantages

Customers nearby (Siemens/MOW)

Localization requirements

Proximity to harbor

Government incentives

US Supply Chain Focused

Capex

Phase 1: NT\$5.22bnto reach 45k output



Received Construction License in mid January 2021.

Construction underway per original plans

Thailand Construction Starts in H2 2021

Construction starts in 2021. Production to begin in 2023

**Phase 1: 60,000 tons/year capacity
Onshore Wind, Plastic/Industrial
machineries**

Advantages

**968,000m² site with industrial
development potential.**

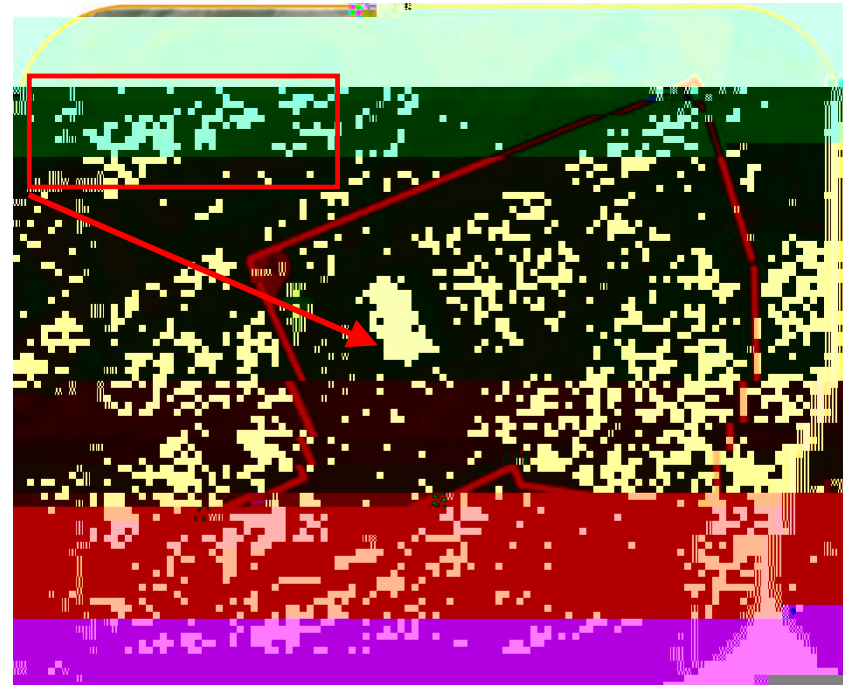
**8 years tax free and 5 years halved tax
incentives**

EIA approved, can be developed in stages

US Supply Chain focused

Capex estimated NT\$ 2.6 billion for Phase

**1
Thailand's Board of Investment is reviewing Yeong Guan's application in due process
Factory design being finalized**





Near Term (1-2 years)

Develop new customers with the global economic recovery

For 2021, we expect steady demand from Wind and growth from other industries, translating to a 5-10% growth of 185,000-194,000 tons output.

Taidung factory for wind castings production in 2022

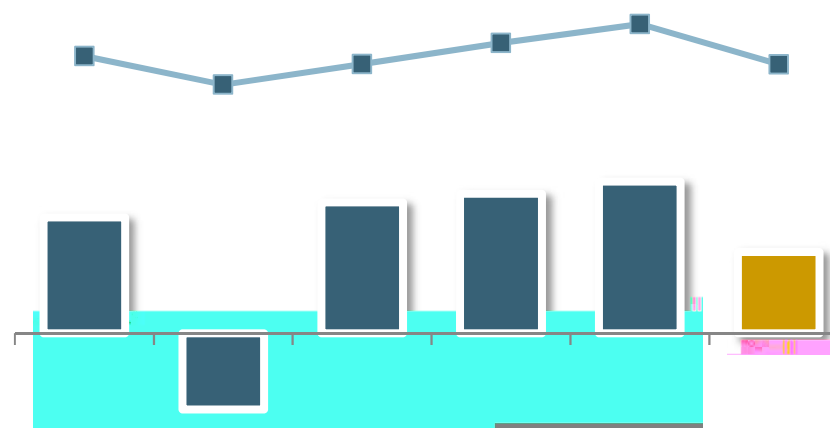
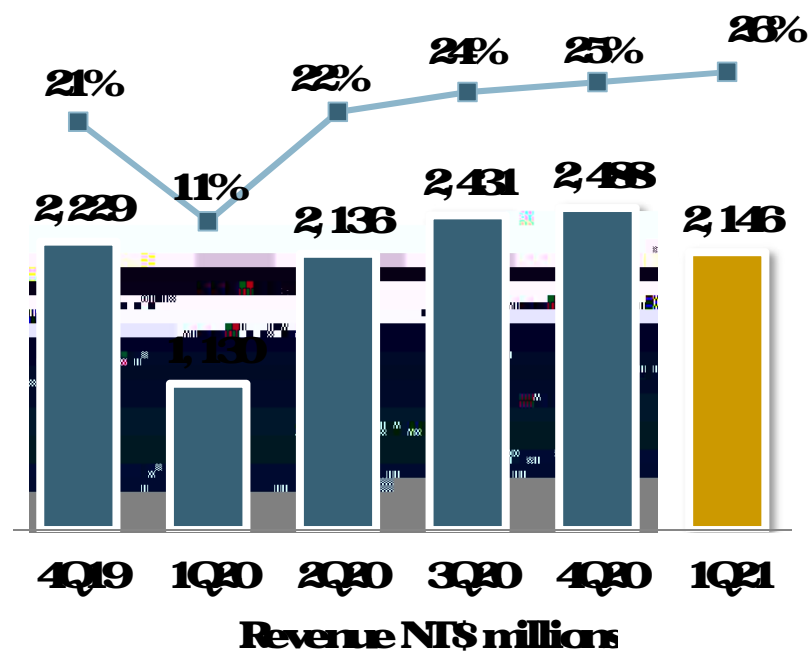
M&T



2021 Q1 Financial Highlights

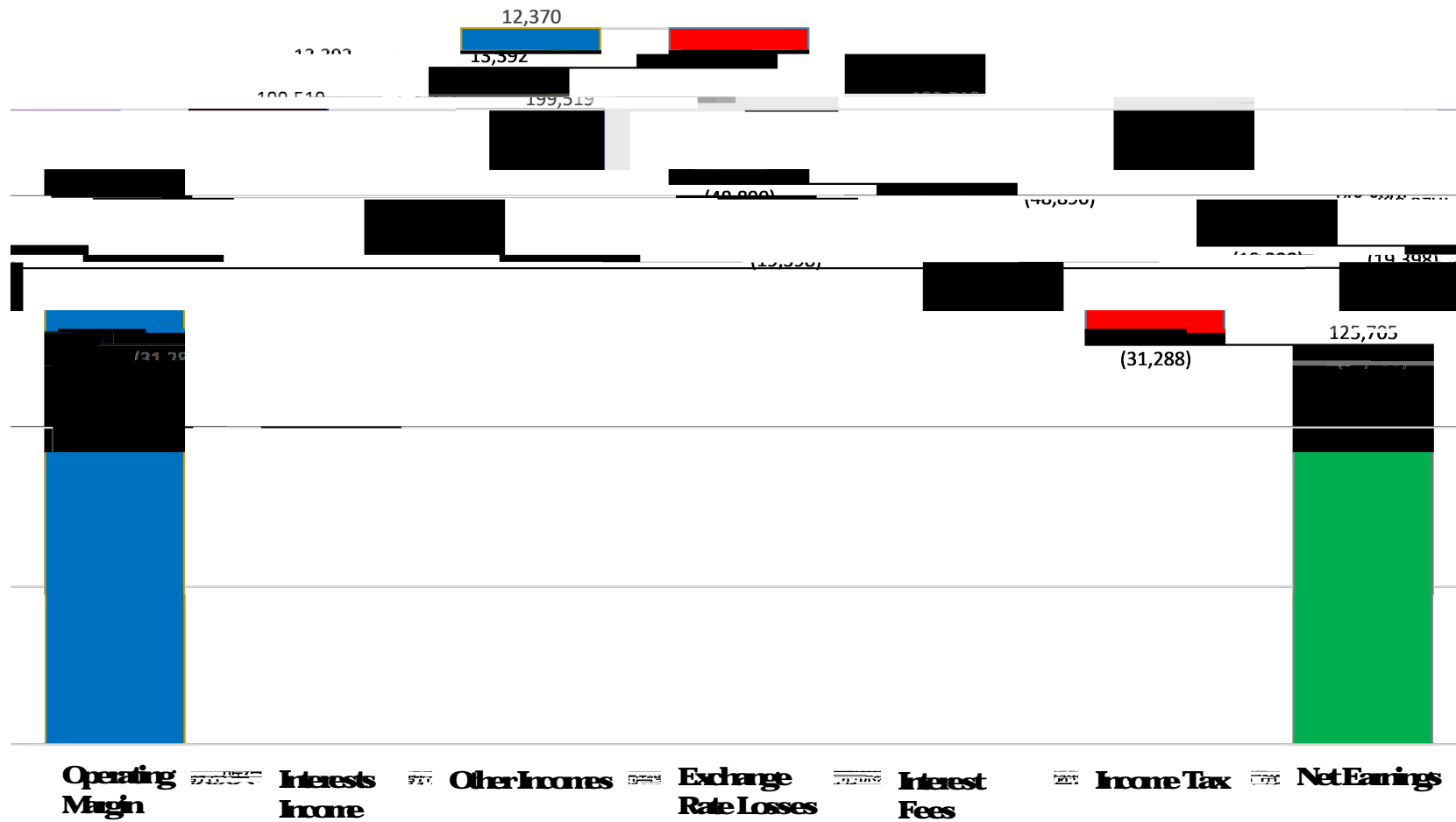
Record Breaking Q1 Performance

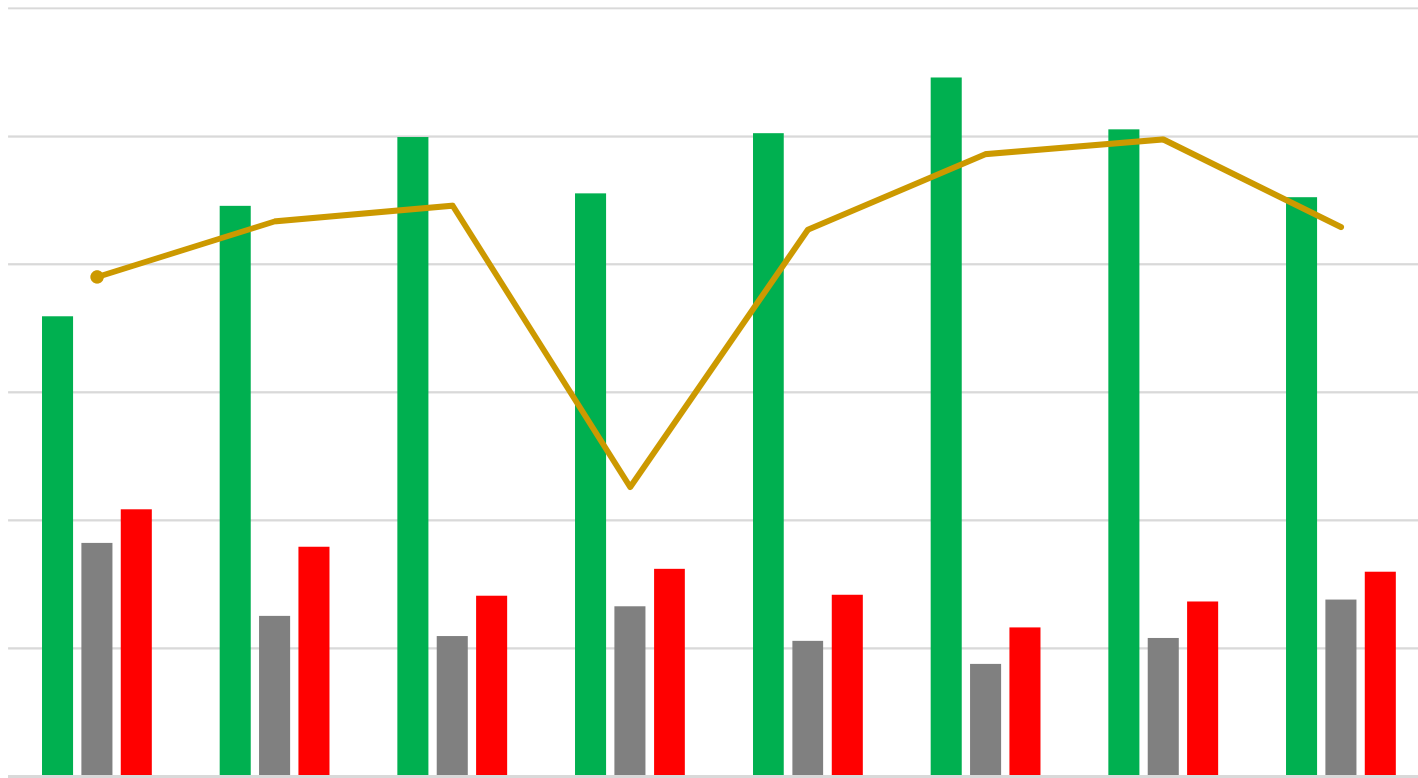
Due to growing demand from plastic injection molding/ industrial machinery sectors, 2021 Q1's revenue and shipment volume reaches new heights since 2012



2021 Q1 Net Earnings Analysis

Unit: NIS Thousand





2021 Q1 Balance Sheet

Unit: Thousand NID	1Q2021	4Q2020	QoQ	1Q2020	YoY
Total Assets	16,599,812	16,394,386	1.3%	13,269,779	25.1%
Cash	1,985,231	2,682,852	-27.9%	1,384,711	39.8%
NR & AR	3,540,410	3,516,934	0.7%	2,171,125	63.1%
Inventory	1,430,904	1,324,434	8.0%	1,310,458	6.7%
Total Non Current Assets	7,673,787	6,980,605	9.9%	6,603,537	16.2%
Total Liabilities	7,677,815	7,630,444	0.6%	5,667,224	35.5%
Bank Loans	3,680,688	3,498,055	5.2%	4,183,919	-12%
NP & AP	1,708,879	1,616,381	3.8%	814,689	109.8%
Total Equity	8,921,997	8,763,942	1.8%	7,602,555	17.4%
Common Stock	1,106,175	1,106,175		1,056,175	

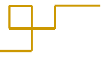
Appendix





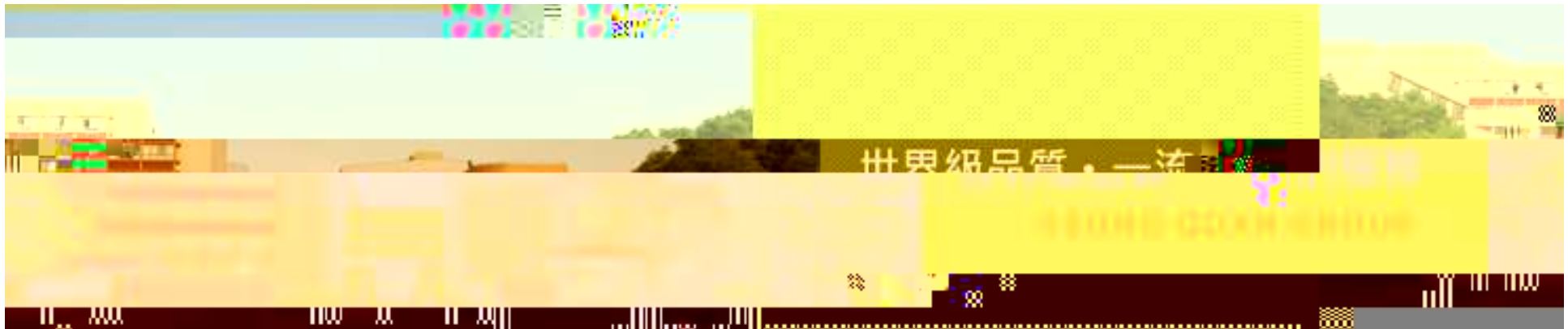


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Thank you for your consideration!



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