

2024年 中華工程 法人說明會

BES Engineering Corporation Investor Conference

Advocating **ESG**
Love for the Planet

免責聲明

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AGENDA

中華工程股份有限公司
BES Engineering Corporation



產業概況
STATE OF THE INDUSTRY



財務概況
FINANCIAL STATUS



公司簡介
COMPANY PROFILE



營運概況
OPERATION OVERVIEW



未来展望
FUTURE PERSPECTIV



01

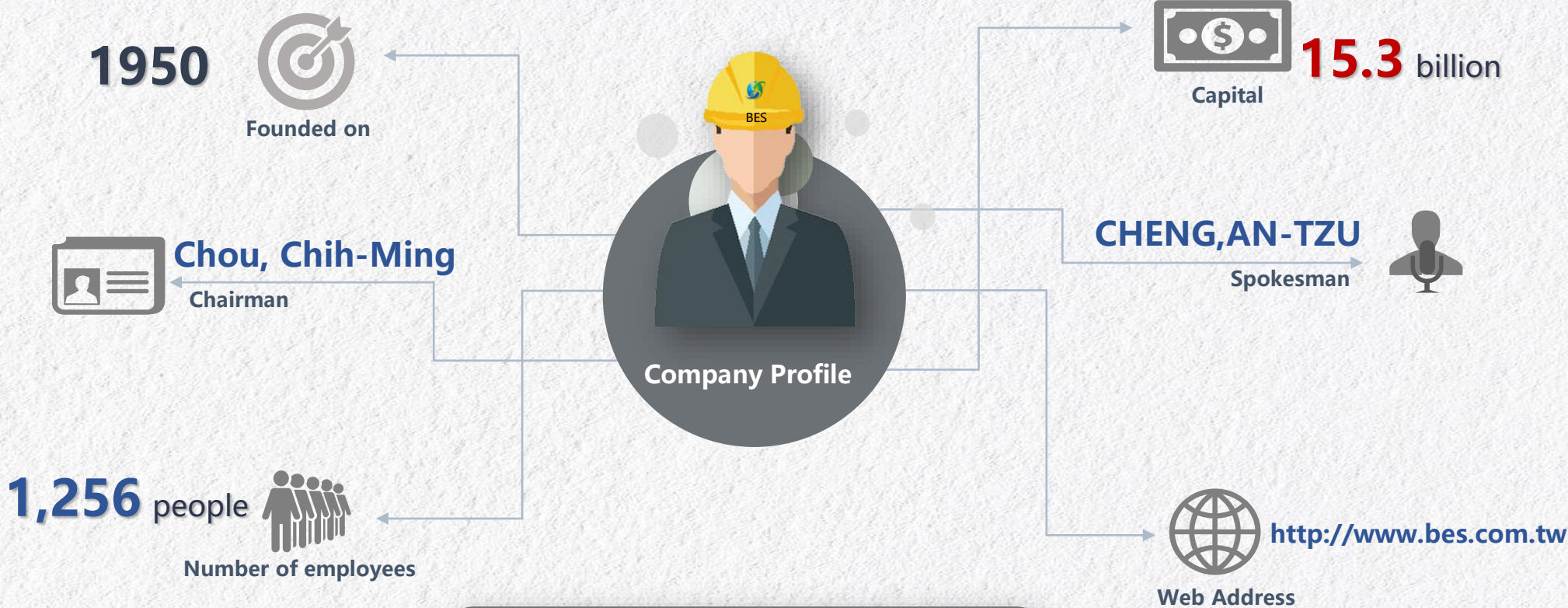
章節 PART

Company Profile

- Basic Information
- Development History of the Company
- Corporate Awards
- Company core values

Company Profile-Basic Information

BES Engineering Corporation



Business Services

- Infrastructure Projects
- Private Engineering
- Industrial Park Development
- Overseas Development
- Real Estate Development



Company Profile-Development History of the Company

BES Engineering Corporation

The state-owned company that managed heavy construction equipments, named as Bureau of Engineering Services (BES), was renamed as BES Engineering Corporation in 1959.

State-owned company

Before 1978



Officially listed shares.
Privatization is successful,
paid-in capital increased to
NT\$ 4.8 billion.

Privatization

1978 ~ 1995



Reinvestment of profit
surplus of NT\$ 1.6 billion,
paid-in capital increased to
NT\$ 9.4 billion.

Transition

1995 ~ 1997



Merged into Core Pacific Group, the
capital of NT\$ 30 billion, paid-in NT\$
15.3 billion. Restructuring efforts are
made to develop both construction
and real estate development business.

Transformation

1997 ~ 2021



Promote a new wave of
tree planting in
buildings all over the
world, and create a new
environment for
sustainable living.

ESG

Since 2021



Company Profile-Corporate Awards

BES Engineering Corporation

24th Public Construction Golden Quality Award

- The Construction of Parking Apron, Taxiway and Apron Facilities un Terminal III of Taiwan Taoyuan International Airport - **The Excellence in civil engineering**
- Wu Xi Niao Zui Tan Artificial Lake Project - Lake Area - **The Honorable Mention in hydraulic engineering**



BES EcoTech Industrial Park Won the MUSE Design Awards



Company Profile-Company core values

BES Engineering Corporation



01 People-oriented

Under the concept of "people-oriented", we actively **recruit talents**, **improve the working environment**, and **enhance the welfare of employees** in order to build a **high-performance team**.

02 Innovation for Development

Actively introduce the **company's digital transformation**, and build the "**real-time audio-visual center**" intelligent system, in order to effectively carry out **the progress of the project and project quality** management, to create the core value of the **precision quality** enterprise.

03 Construction Safety

Utilizing **AIoT** and other **intelligent device technologies**, combining with the construction production process, to create a construction site **construction safety** and **construction quality** performance management.

04 Sustainability Services

Create a sustainable service with customers through "**Customer Service CRM System**" and "**Building Warranty**".

02

章節 PART

State of the Industry

- Lack of labor and materials dilemma
- Net Zero Emissions

State of the Industry

BES Engineering Corporation



Lack of labor and materials Irreversible difficulties in the housing and construction markets



缺工缺料困境

Lack of labor and materials dilemma

+ Taiwan's housing market is affected by the international situation

A series of international issues, from the initiation of the U.S.-China trade war and global power play, the ongoing impact of the COVID-19 pandemic and its variants, to the unresolved conflict between Russia and Ukraine. Industry disruptions have occurred in human flow, logistics, goods movement, transportation, technology, and even production flows. The successive chain disruptions have led to a surge in raw material prices, significantly inflating construction costs for builders.

+ Labor Shortage: Government Projects Facing Bid Failures

Taiwan's widespread labor shortage leads to bid failures in many government projects, affecting both the real estate market and public works. For example, a Kaohsiung social housing project saw costs rise from 150,000 to 170,000 TWD per square meter before successfully securing a bid. The construction market faces persistent labor and material shortages with no immediate solution.



淨零碳排時代影響

Net Zero Emissions

+ Carbon tax costs to rise another 35%

Builders not only grapple with labor shortages but also face rising construction costs from the midstream and downstream building material industries, especially with the impending introduction of carbon taxes. Industry estimates suggest a potential 35% increase in construction costs. The era of low housing prices is expected to end, and builders are focusing on reducing energy consumption and incorporating green building designs to mitigate the impact of carbon taxes and fees in the future.

+ Carbon emissions will be taken into account in the financing of public banks

Banks will consider net-zero carbon emissions in loan assessments, gradually integrating carbon and climate factors into credit risk evaluations. This shift aims to promote societal focus on sustainable development and a transition to low-carbon practices. Carbon footprints may impact financing interest rates, becoming a crucial factor in the cost of funds when obtaining loans from government-owned banks in the future.

03

章節 PART

Operation Overview

- Contracting Projects
- Industrial Park Development
- Real Estate Development

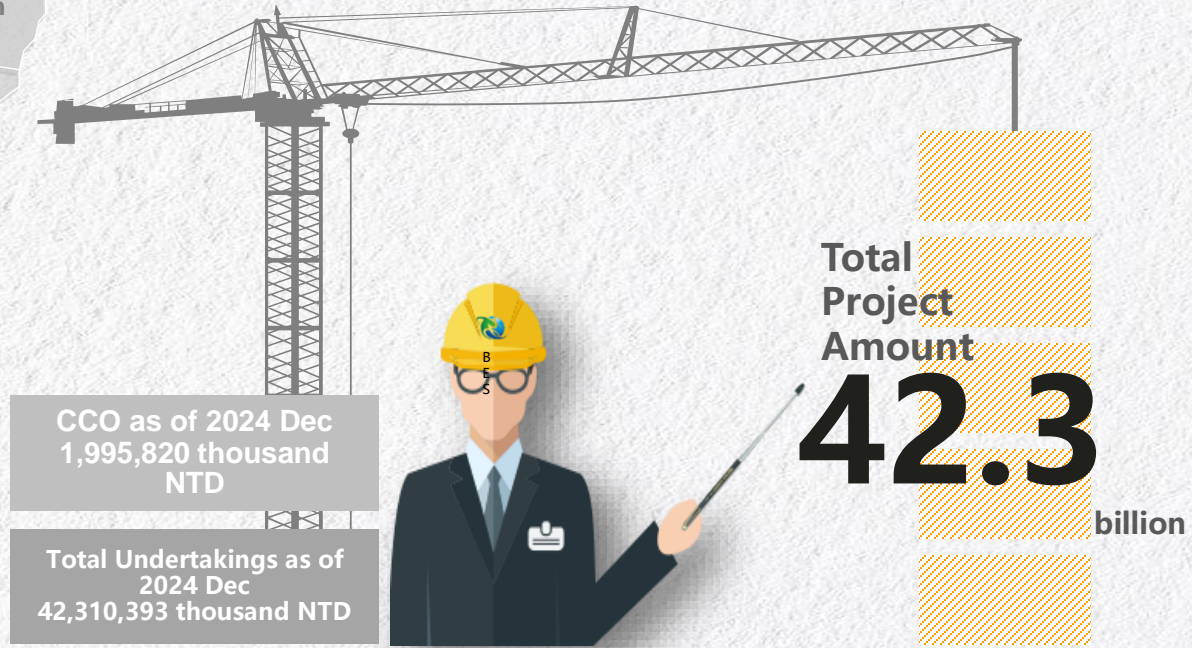
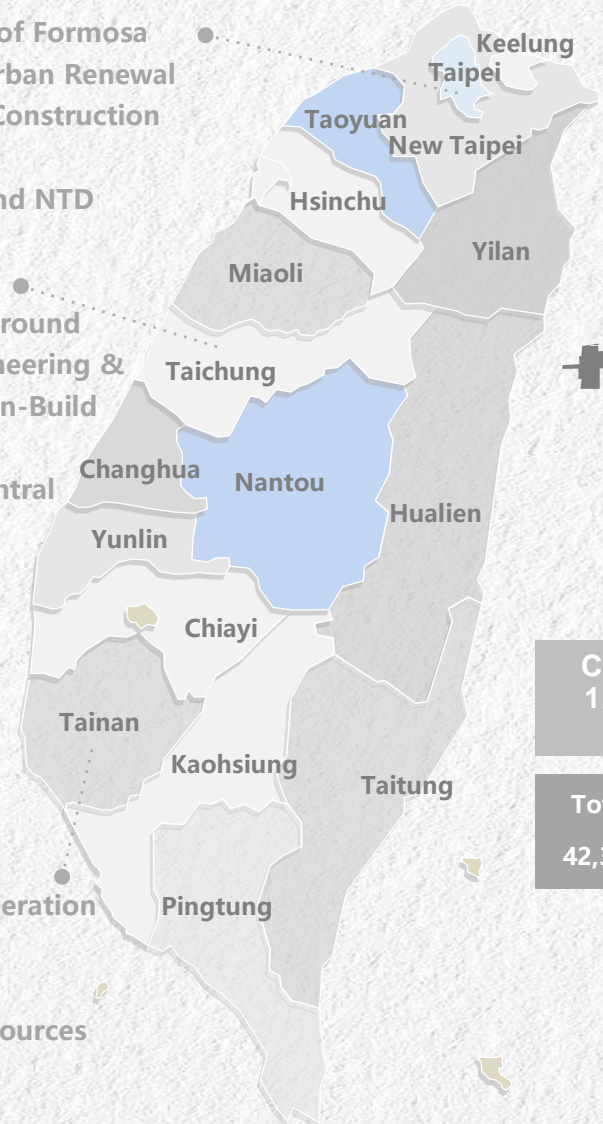
Operation Overview-Contracting Projects

BES Engineering Corporation

New Construction of Formosa Plastics Building Urban Renewal [Formosa Plastics Construction Corporation] 23,079,000 thousand NTD

345kV Gangfeng~Zhongke, Zhongke~Hengshan Underground Transmission Line Civil Engineering & Auxiliary E&M System Design-Build Project (First Section) [Taiwan Power Company Central Region Construction Office] 8,220,730 thousand NTD

The Turnkey Project with Operation and Maintenance of Tainan Desalination Plant(Phase 1) [Southern Region Water Resources Branch,WRA,MOEA] 9,014,843 thousand NTD



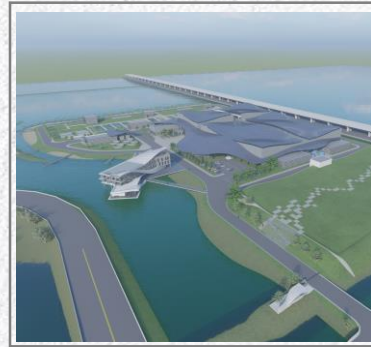
Taipei



Taichung

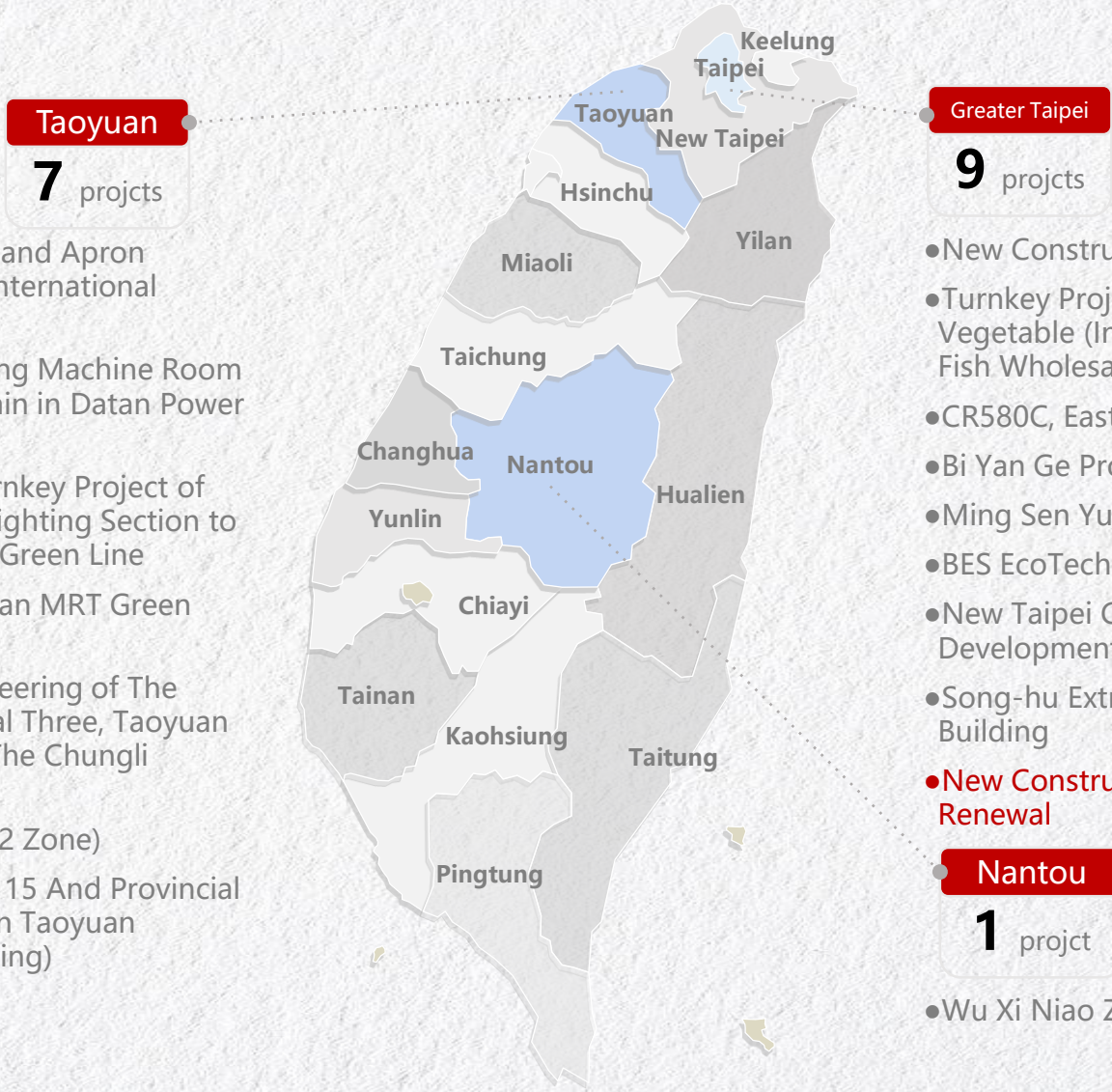


Tainan



Operation Overview-Contracting Projects

BES Engineering Corporation



Taoyuan
7 projects

Greater Taipei
9 projects

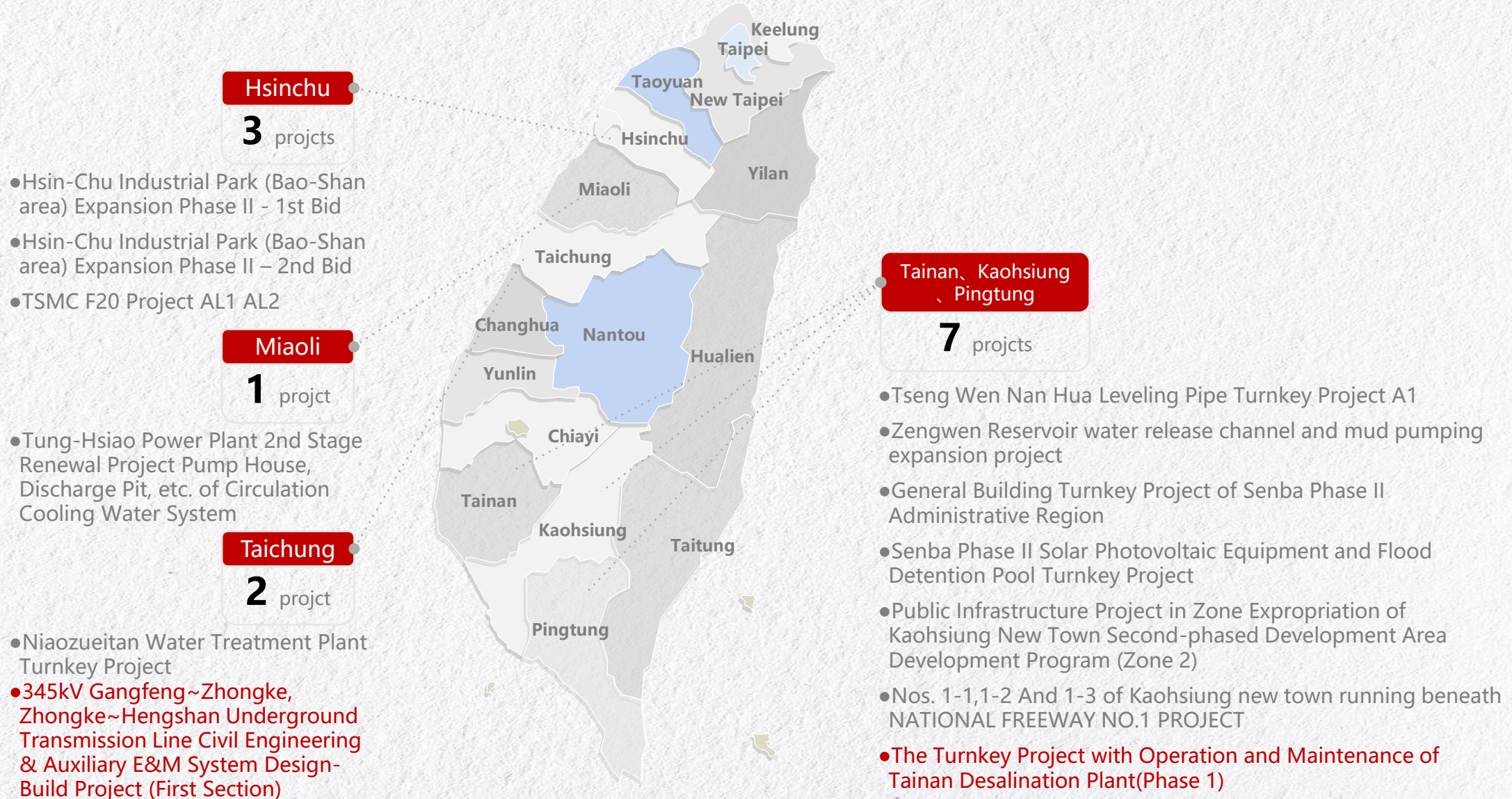
Nantou
1 project

- The Construction of Parking Apron, Taxiway and Apron Facilities un Terminal III of Taiwan Taoyuan International Airport
- The New Construction Project of The Pumping Machine Room #7, 8 And 9 and Water Inlet/Outlet Underdrain in Datan Power Plant
- GC02 Civil Engineering and Construction Turnkey Project of The Underground Section Between The Daylighting Section to G07 Station (Exclusive) of The Taoyuan MRT Green Line
- GM01 E & M System Turnkey Project, Taoyuan MRT Green Line
- ME06A The Electromechanical System Engineering of The Project of The Addition of Station of Terminal Three, Taoyuan Airport (A14 Station) and The Extension to The Chungli Railway Station
- Taoyuan Aerotropolis Zone Expropriation (A2 Zone)
- The Rerouting Project of Provincial Highway 15 And Provincial Highway 4 Supports The Expansion of Taiwan Taoyuan International Airport (including Pipeline Burying)

- New Construction of Health Building Project
- Turnkey Project for The Reconstruction of The First Fruit and Vegetable (Including The Relay in The Dike) and The Wanda Fish Wholesale Market
- CR580C, Eastern Extension Section, Xinyi Line of Taipei MRT
- Bi Yan Ge Project
- Ming Sen Yuan Project
- BES EcoTech Industrial Park
- New Taipei City, Wen Zi Zun Area 2 District City Rezoning Development Project
- Song-hu Extra-high Voltage Substation and Multi-objective Building
- New Construction of Formosa Plastics Building Urban Renewal**
- Wu Xi Niao Zui Tan Artificial Lake Project - Lake Area

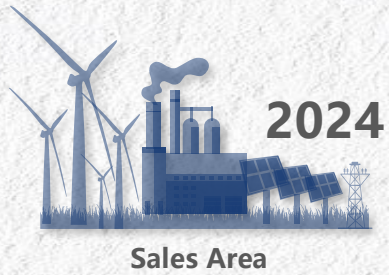
Operation Overview-Contracting Projects

BES Engineering Corporation



Operation Overview-Industrial Park Development-Sales

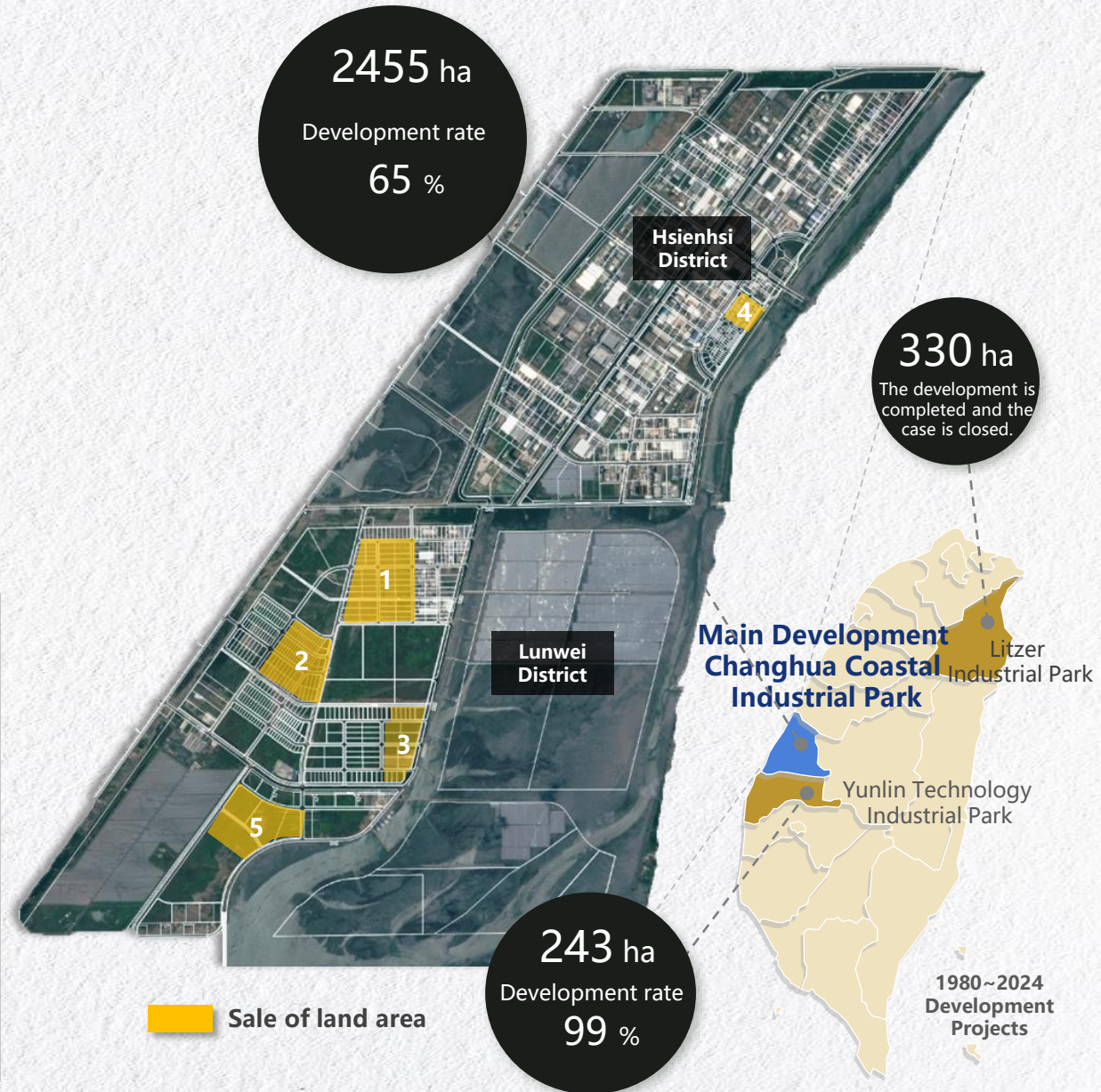
BES Engineering Corporation



39.8 ha

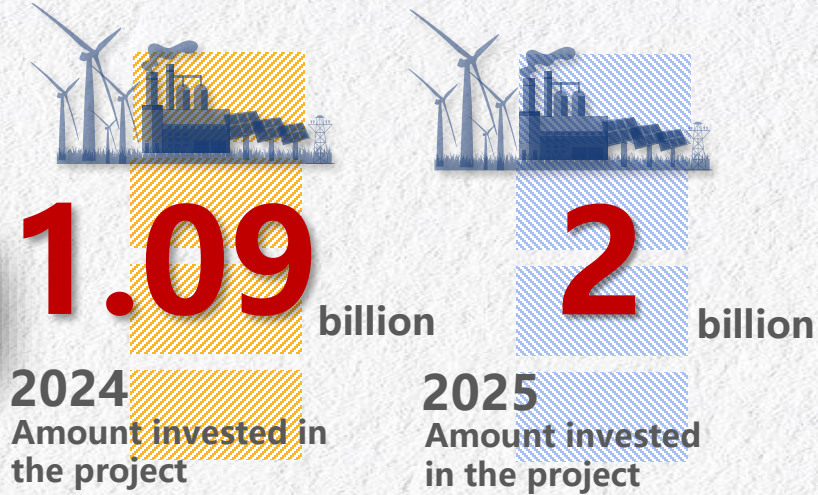
23.6 ha

	Investment promotion	Announced area	Selling Rate	2024 Advances recovered
1	Industrial land, Western Lunwei District #2(construction completed)	32ha	100%	0.884 billion
2	Industrial land, Western Lunwei District #5	24.8ha	100%	0.105 billion
3	Industrial land, Western Lunwei District #4-2	15ha	100%	0.039 billion
4	Residential Land, Hsienhsi District #1	3.6ha	Announced in Q4 2024	-
5	Industrial land, Western Lunwei District #2-1	20ha	Announced in 2025 (Time to be confirmed)	-

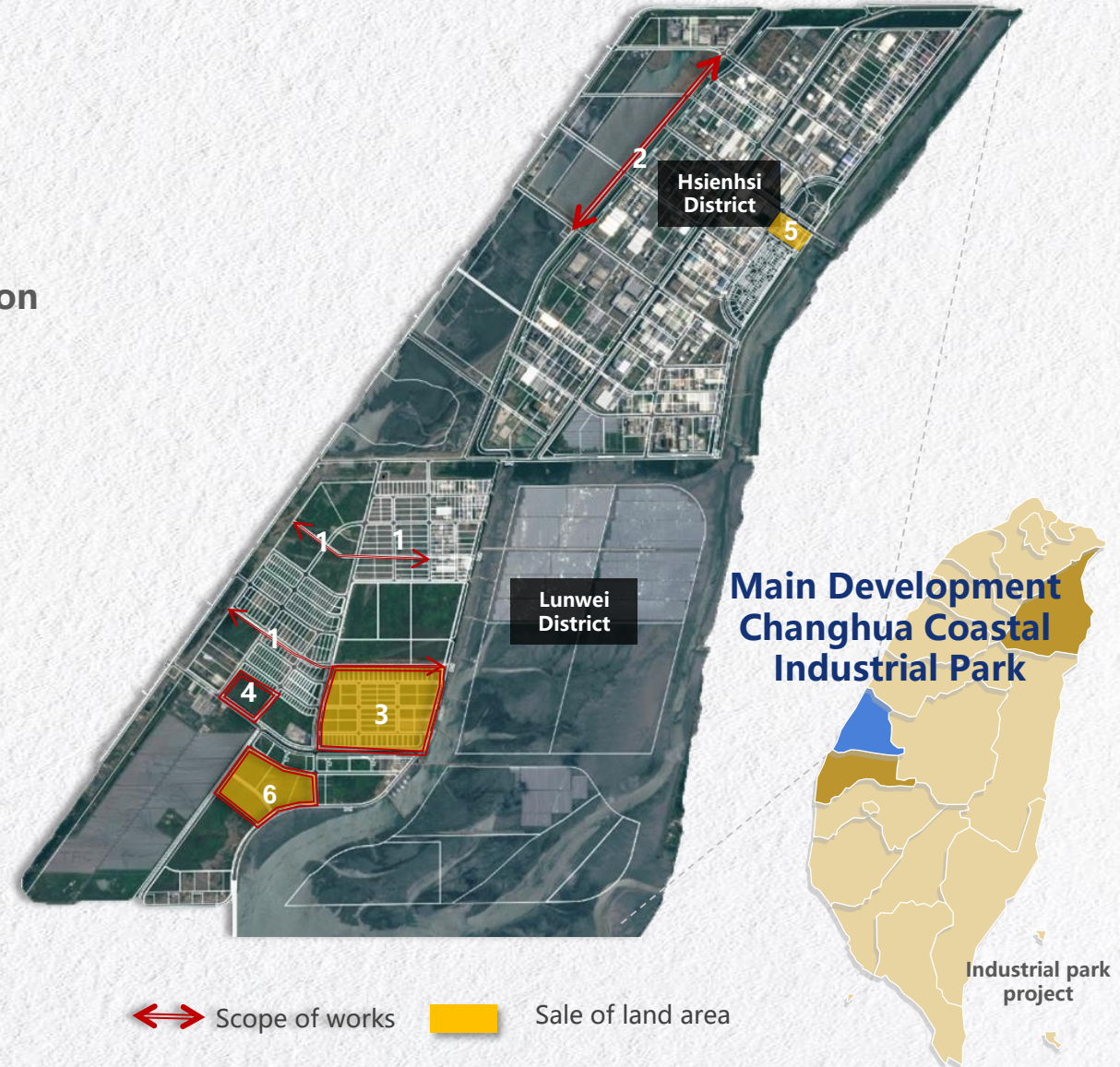


Operation Overview-Industrial Park Development-Engineering

BES Engineering Corporation



Project Highlights		Schedule
1	Western Lunwei District #2 Drainage And Gate Project	completion in 2025
2	Hsienhsi District A2405 Road Embankment Project	completion in 2025
3	Western Lunwei District #4 Roads And Public Project	completion in 2025
4	Dedicated zone for metal industry, Western Lunwei District Sewage Treatment Plant Temporary Package Facility	2025 of new investment
5	Residential Land, Hsienhsi District#1Roads And Public Project	2025 of new investment
6	Western Lunwei District #2-1 Roads And Public Project	2025 of new investment



Operation Overview-Real Estate Development

BES Engineering Corporation

2024

Development of
business results

33,063

m²

Shulin Zhongshan Road
Urban Renewal Project
(Government-initiated)



Site Area

4,061 m²

Chengnan Shuiyuan
Urban Renewal Project
(Government-initiated)



Site Area

10,541 m²

General Banqiao Welfare
Urban Renewal Project
(Government-initiated)



Site Area

2,872 m²

Nangang Chongyang
Road Urban Renewal
Project



Site Area

2,212 m²

Songshan District -
Xing'an Street Urban
Renewal Project



Site Area

1,682 m²

Tucheng District -
Sanmin Road Project



Site Area

8,446 m²

Songshan District -
Minsheng East Road
Project



Site Area

2,211 m²

Da'an District -
Da'an Road Project



Site Area

1,038 m²

2025
Estimated new
development and
under development



approximately

19,635

m²

Base Development Area

Items	Currently Under Development and Estimated to be Developed in 2024
1	Songshan District – Jiankang Road Project
2	Xinyi District – Lane 320, Wuxing Street Project
3	Neihu District – Xinming Road Project
4	Xinyi District – Yaxiang Section Project
5	Zhongshan District – Changchun Section 2th Subsection Project (Government-initiated)
6	Songshan District – Yanji Section 3th Subsection Project (Land Bank-initiated)

Operation Overview-Real Estate Development

BES Engineering Corporation



BES - Shui Yan

Site Area – **588** m²

Lot location – Chengde Road, Shilin District, Taipei City

Planning of architecture – aboveground **14** floors /
underground **3** floors, **RC** structure

Mode of development – **urban renewal**

Progress of Urban Renewal – completion in **Q3 2015**



Won the 2014 National Construction Excellence Award

BES - Chang Cui

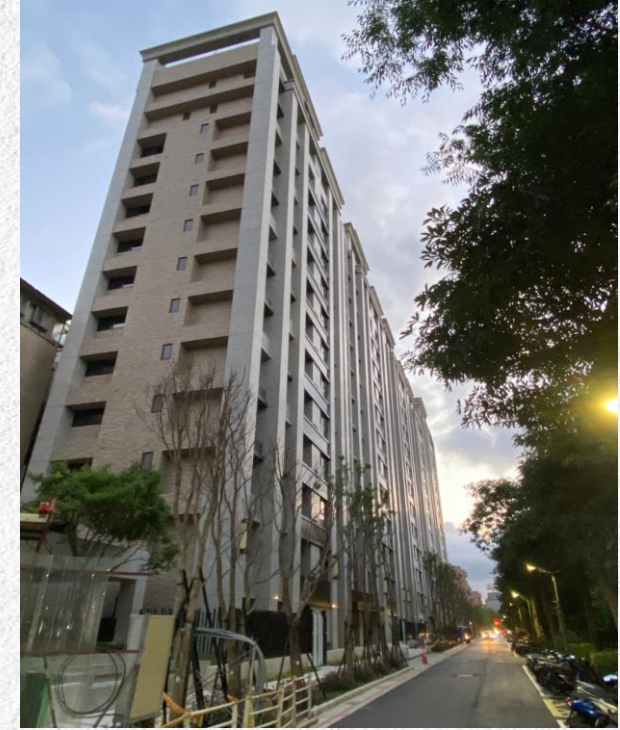
Site Area – **919** m²

Lot location – Jiankang Road, Songshan District, Taipei City

Planning of architecture – aboveground **12** floors /
underground **4** floors, **RC** structure

Mode of development – **urban renewal**

Progress of Urban Renewal – completion in **Q4 2015**



BES - Yun Cui

Site Area – **2,869** m²

Lot location – Jiankang Road, Songshan District, Taipei City

Planning of architecture – aboveground **15** floors /
underground **3** floors, **RC** structure

Mode of development – **urban renewal**

Progress of Urban Renewal – completion in **Q1 2021**

Operation Overview-Real Estate Development

BES Engineering Corporation



BES - Bi Yan Ge

Site Area – **4,780** m²

Lot location – Songshan District, Taipei City

Planning of architecture – aboveground **24** floors /
underground **4** floors, **SRC** structure

Mode of development – **urban renewal**

Progress of Urban Renewal – completion of the application
for the use of license in **Q1 2025**



BES - Ming Sen Yuan

Site Area – **10,033** m²

Lot location – Songshan District, Taipei City

Planning of architecture – aboveground **21** floors /
underground **4** floors, **SRC** structure

Mode of development – **urban renewal**

Progress of Urban Renewal – Steel Structure
Engineering in Progress



**Nangang Chongyang Road Urban
Renewal Project**

Site Area – **2,212** m²

Lot location – Nangang District, Taipei City

Planning of architecture – aboveground **15** floors /
underground **4** floors, **RC** structure

Mode of development – **urban renewal**

Progress of Urban Renewal – Relocation Plan in Progress

Operation Overview-Real Estate Development

BES Engineering Corporation



Shulin Zhongshan Road Urban Renewal Project (Government-initiated)

Site Area – **4,061 m²**

Lot location – Shulin District, New Taipei City

Planning of architecture – aboveground **15** floors /
underground **4** floors, **RC** structure

Mode of development – **Government-initiated urban renewal**
Progress of Urban Renewal – First group review in **Q3 2024**



Xing'an Street Urban Renewal Project

Site Area – **1,682 m²**

Lot location – Songshan District, Taipei City

Planning of architecture – aboveground **15** floors /
underground **4** floors, **RC** structure

Mode of development – **urban renewal**
Progress of Urban Renewal – Adjustments to the drawings and descriptions of the new scope of architectural planning in **Q3 2024**



Da'an Road Urban Renewal Project

Site Area – **1,038 m²**

Lot location – Da'an District, Taipei City

Planning of architecture – aboveground **11** floors /
underground **4** floors, **RC** structure

Mode of development – **urban renewal**
Progress of Urban Renewal – Submission of business plan and rights change for approval in **Q2 2024**

Operation Overview-Real Estate Development

BES Engineering Corporation



Tucheng District -Sanmin Road Project

Site Area – **8,446** m²

Lot location – Tucheng District, New Taipei City

Planning of architecture – aboveground **11** floors /
underground **3** floors、**RC** structure

Mode of development – **urban renewal**

Progress of Urban Renewal – Business plan and rights
conversion plan in **Q3 2024**



Songshan District – Minsheng East Road Project

Site Area – **2,211** m²

Lot location – Songshan District, Taipei City

Planning of architecture – aboveground **22** floors /
underground **4** floors、**SRC** structure

Mode of development – **urban renewal**

Progress of Urban Renewal – Adjustments to planning and
construction drawings in **Q3 2024**

Operation Overview-Real Estate Development

BES Engineering Corporation



Won the MUSE
Design Awards

BES EcoTech Industrial Park

Site Area – **53,488** m²

Lot location – Tucheng District, New Taipei City

Planning of architecture – aboveground **16** floors /
underground **4** floors, **SC** structure

Mode of development – **urban renewal**

Progress of Urban Renewal – completion in **Q4 2025**



Chengnan Shuiyuan Urban Renewal Project (Government-initiated)

Site Area – **10,541** m²

Lot location – Zhongzheng District, Taipei City

Planning of architecture – aboveground **21** floors /
underground **4** floors, **SRC** structure

Mode of development – **Government-initiated**

urban renewal

Progress of Urban Renewal – Public Hearing in **Q3 2024**



General Banqiao Welfare Urban Renewal Project (Government-initiated)

Site Area – **2,872** m²

Lot location – Banqiao District, New Taipei City

Planning of architecture – aboveground **24** floors /
underground **4** floors, **SRC** structure

Mode of development – **Government-initiated urban renewal**

Progress of Urban Renewal – Submission of business
plan and rights change draft for review in **Q1 2024**

04

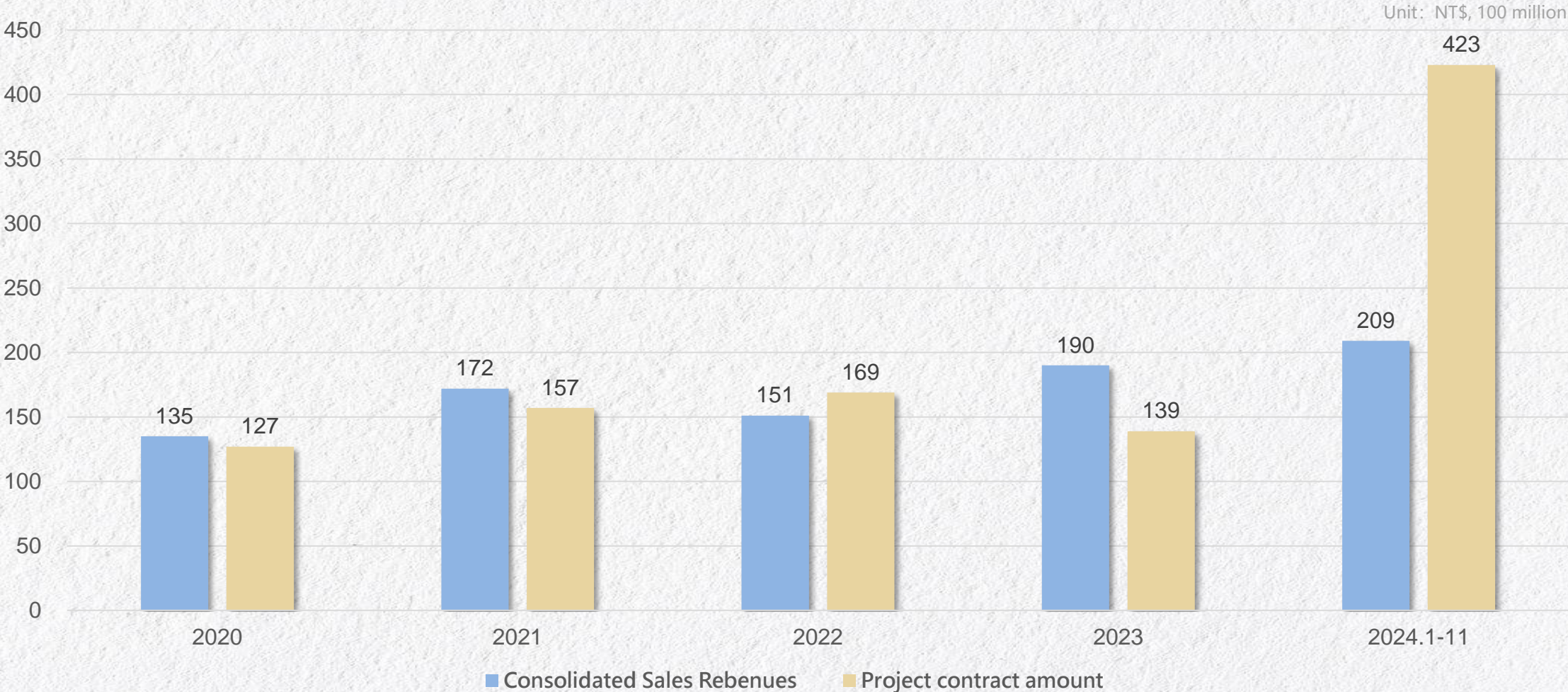
章節 PART

Financial Status

- Consolidated Sales Revenues And Breakdown
- Distribution of Consolidated Sales Revenues
- Consolidated Balance Sheet
- Annual & Q3 Consolidated Income Sheet
- Financial ratio analysis
- Dividend Payment

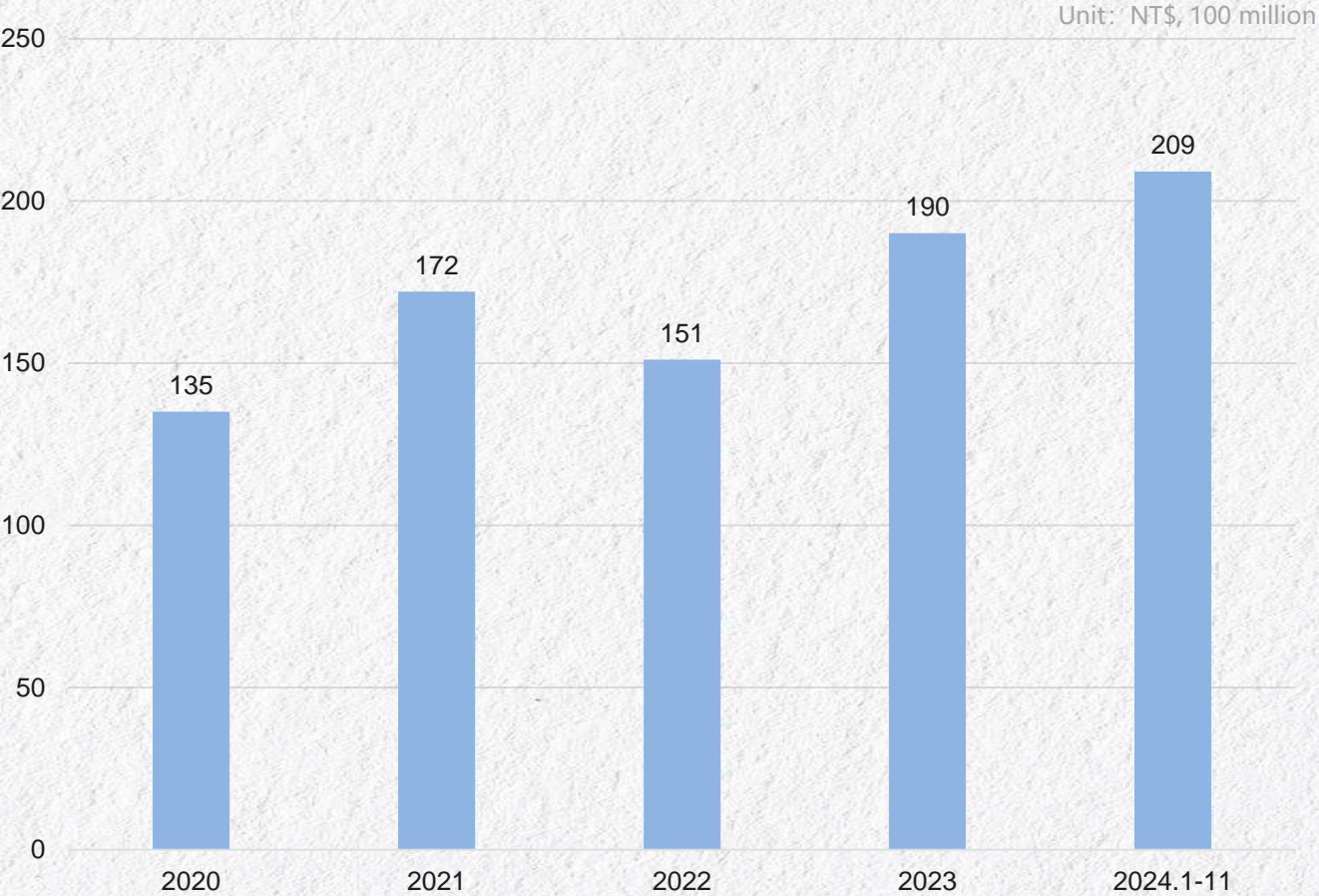
Financial Status-Consolidated Sales Revenues

BES Engineering Corporation

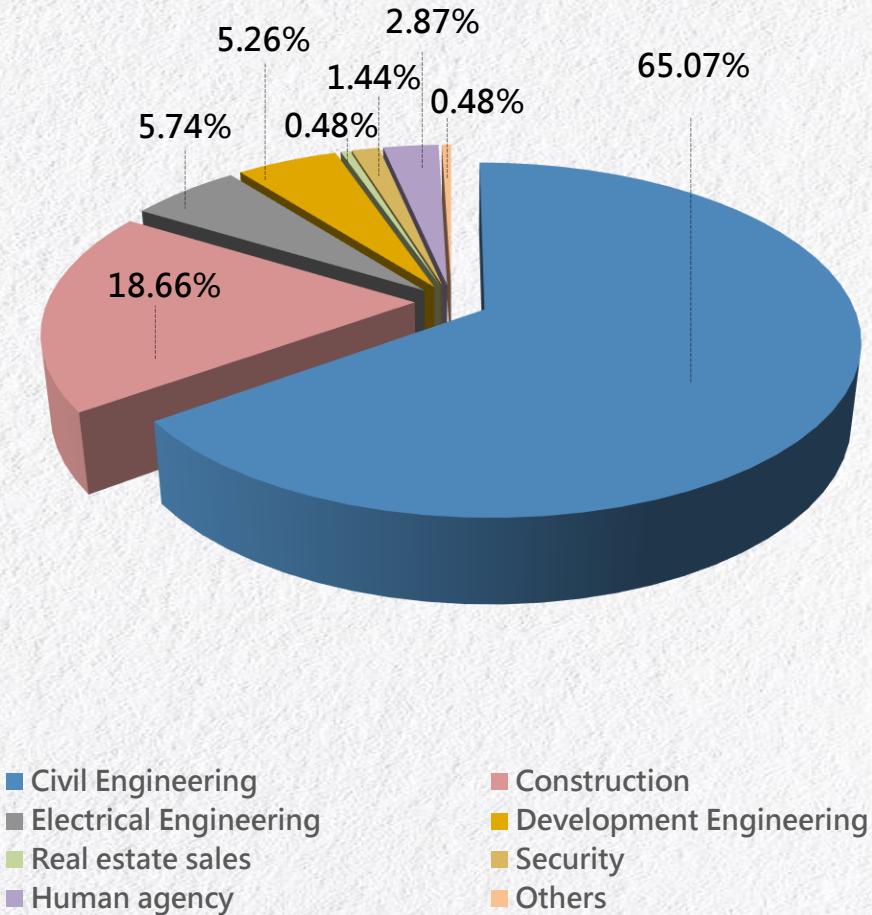


Financial Status-Consolidated Sales Revenues

BES Engineering Corporation



2024.1-11 Consolidated Sales Revenues

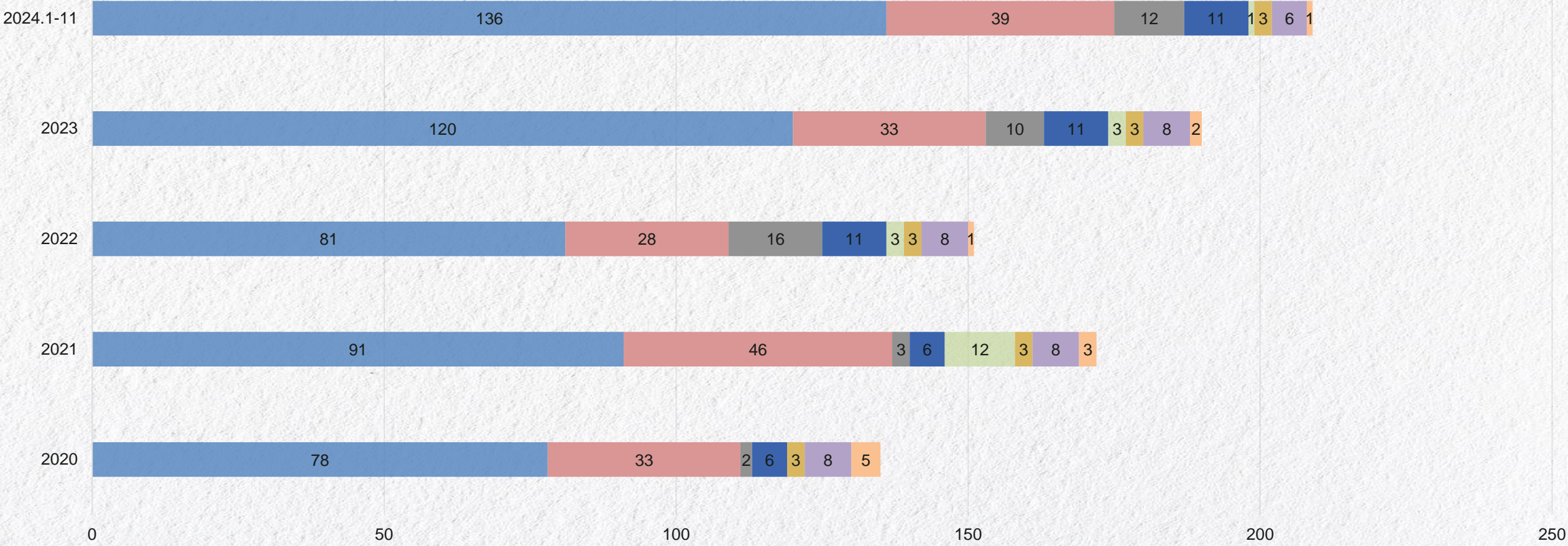


Financial Status-Consolidated Sales Revenues And Breakdown

BES Engineering Corporation

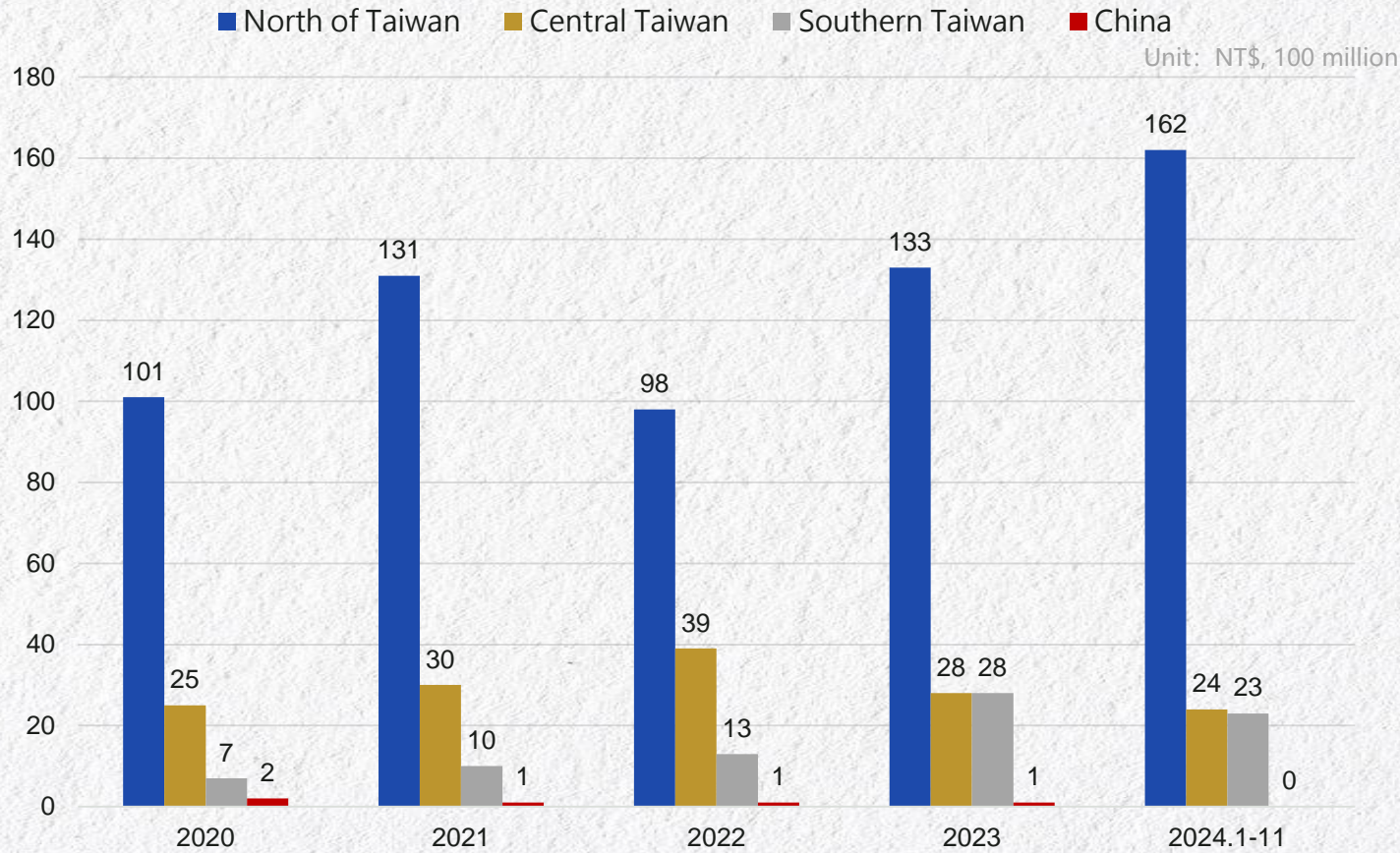
Unit: NT\$, 100 million

- Civil Engineering
- Construction
- Electrical Engineering
- Development Engineering
- Real estate sales
- Security
- Human agency
- Others



Financial Status-Distribution of Consolidated Sales Revenues

BES Engineering Corporation



Consolidated Revenue by Region for the Past 5 Years



Consolidated Revenue by Region in 2024

Financial Status-Consolidated Balance Sheet

BES Engineering Corporation

Unit : NT\$, Million

Items	2021/12/31	2022/12/31	2023/12/31	2024/09/30
Current assets	38,755	35,990	47,670	53,501
Property, plant and equipment	3,210	3,089	3,210	3,329
Investment properties	1,029	1,113	1,077	1,074
Other non-current assets	5,094	4,948	4,092	4,474
Total assets	48,088	45,140	56,049	62,378
Current liabilities	17,472	14,452	20,213	24,633
Long-term borrowings	5,313	5,744	9,971	12,146
Other non-current liabilities	2,374	2,268	2,566	2,450
Total liabilities	25,159	22,464	32,750	39,229
Total equity	22,929	22,676	23,299	23,149
Net worth per share	14.92	14.77	14.67	14.59

Financial Status-Annual & Q3 Consolidated Income Sheet

BES Engineering Corporation

Unit : NT\$, Million

Items	2021	2022	2023	2024Q3
Sales Revenues – Annual	17,197	15,093	18,959	16,487
Gross Profit	340	1,378	1,523	1,117
Operating income	(359)	776	932	701
Total non-operating income and expenses	2,837	225	(150)	(33)
Net Profit Attributable	2,662	805	626	511
Total Comprehensive income Attributable	2,901	571	643	646
Total basic earnings per share EPS(NT)	1.75	0.54	0.41	0.33
Sales Revenues – Q3	12,411	10,586	13,812	16,487
Gross Profit	908	757	1,063	1,117
Operating income	482	338	659	701
Total non-operating income and expenses	(125)	374	(108)	(33)
Net Profit Attributable	285	580	422	511
Total Comprehensive income Attributable	342	298	367	646
Total basic earnings per share EPS(NT)	0.19	0.38	0.28	0.33

Financial Status-Financial ratio analysis

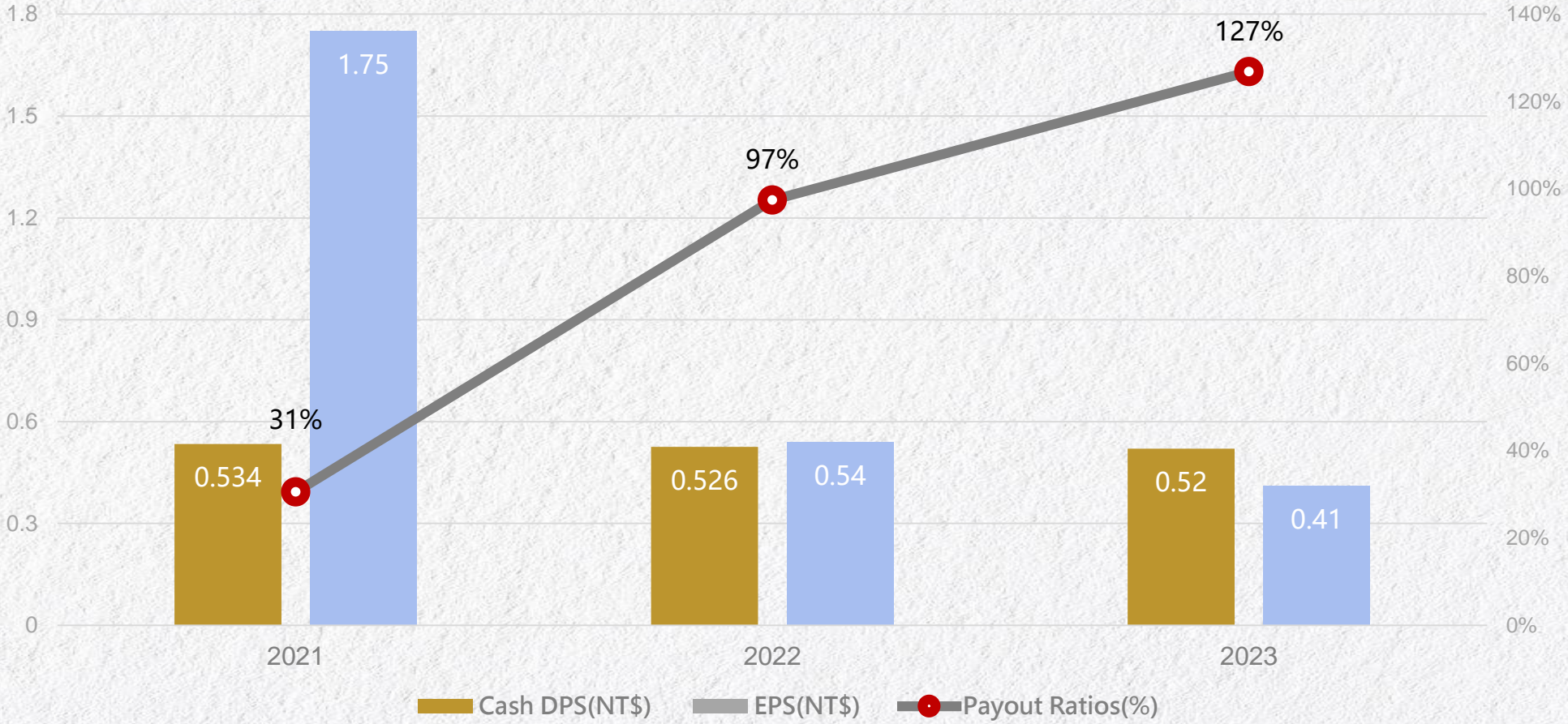
BES Engineering Corporation

Items	2021	2022	2023	2024Q3	2021-2024Q3 Construction stock average
Debt Ratio %	52.32 %	49.76 %	58.43 %	62.89 %	62.88 % ~ 65.75 %
Current Ratio %	221.81 %	249.03 %	235.84 %	217.20 %	157.96 % ~ 173.08 %
Times Interest Earned Ratio	14.92	5.01	2.62	2.05	
Return on Equity %	12.28 %	3.53 %	2.72 %	2.20 %	
Profit Rate %	15.48 %	5.33 %	3.29 %	3.10 %	



Financial Status-Dividend Payment

BES Engineering Corporation



05

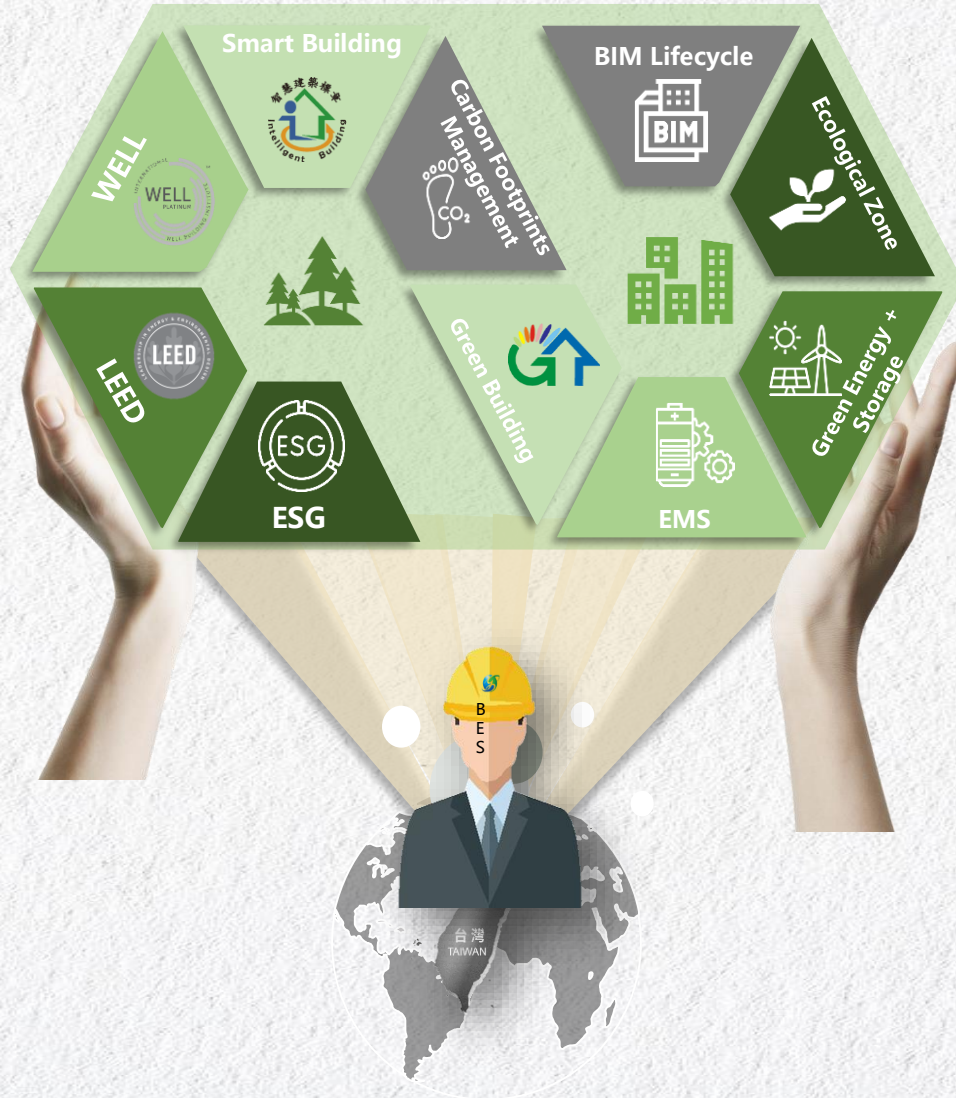
章節 PART

Future Perspective

- Enterprise development strategy
- The Effectiveness of Corporate Sustainable Development

Future Perspective-Enterprise development strategy

BES Engineering Corporation



Transformation against all odds

In response to challenges like "labor and material shortages" impacting the real estate and construction sectors, BES is strategically transforming through a focus on **"data management"** and **"smart technology"**. The company plans to implement an **AIOT** framework, integrating data into a **"Real-time Decision Center"** for efficient decision-making, cost reduction, and risk management. This initiative aims to strengthen corporate operations and navigate the current business challenges effectively.

Embracing a Sustainable Future

BES actively integrates and applies the three major certifications of "Intelligent Green Building" – **Taiwan's EEW** (Ecological, Energy Saving, Waste Reduction, and Healthy), **U.S. LEED** (Leadership in Energy and Environmental Design), and **U.S. WELL** (Well Building Standard). Both the "Construction Development" and "Engineering and Construction" businesses are committed to ESG, managing **carbon footprints through ISO14067** from construction to future operational stages. Integration of artificial intelligence and IoT in electromechanical systems monitors and manages gas and carbon emissions, aiming for the goal of "Net Zero Buildings." This aligns with the company's future operational policy for sustainable development.

Embracing the New Face of Construction

"ESG" is now a cornerstone of corporate management, covering environmental protection, social responsibility, and corporate governance. Amid a sustainability wave post-pandemic, digital transformation and net-zero emissions are key trends in ESG. Traditional industries, facing market challenges, are prioritizing effective management, emphasizing wisdom, digitalization, and ESG sustainability for a fresh industry outlook. BES actively champions **"Smart Technology - Green Building"** as part of its sustainable management approach, contributing to global efforts for a better planet.

Future Perspective-The Effectiveness of Corporate Sustainable Development

BES Engineering Corporation



Enterprise Development Effectiveness

Develop company carbon reduction policy, establish tools for carbon inventory, quantify emissions in design, construction, and operations, and create optimal reduction methods and environmental opportunities

Awarded the world's first PAS 2080 compliant certificate



- Integrating daily safety inspections with information systems enhances efficiency and high-risk prevention. A reward-penalty system and cultural shaping overcome digital transformation resistance, ensuring effective safety management.

Environmental Protection Effectiveness

- Wu Xi Niao Zui Tan Artificial Lake Project
- Balancing development with biodiversity and ecological conservation through engineering methods
- Public projects enhance ecosystems and energy infrastructure, contributing to sustainability and lasting value.



Social Responsibility Effectiveness



Leading migrant worker care with Chun Chih Foundation for Thai worker counseling, we earned the Silver Award at the 2024 Taipei Golden Eagle Microfilm Festival, organized by TAISE.



Corporate governance effectiveness

- Corporate governance ratings have steadily improved for three consecutive years.
- In 2022 and 2023, corporate governance evaluations ranked within the top 6%-20% of listed companies.
- **Honored as a component of the TWSE Corporate Governance 100 Index.**



陶朱隱園
BES URBAN
RENEWAL



Q&A

Thank You