



CHINA STEEL CHEMICAL CORPORATION (1723) Investor Conference

March 2023

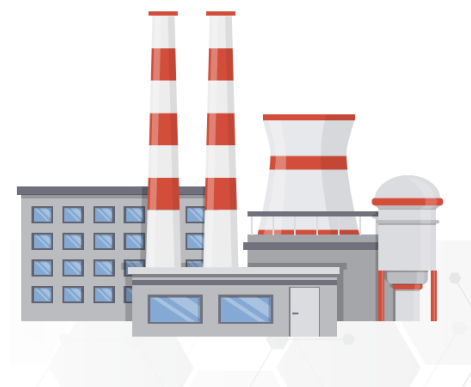
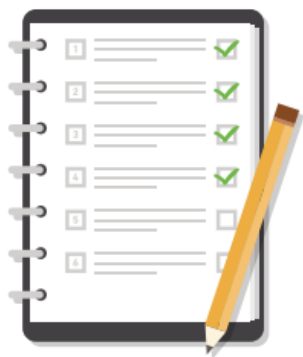
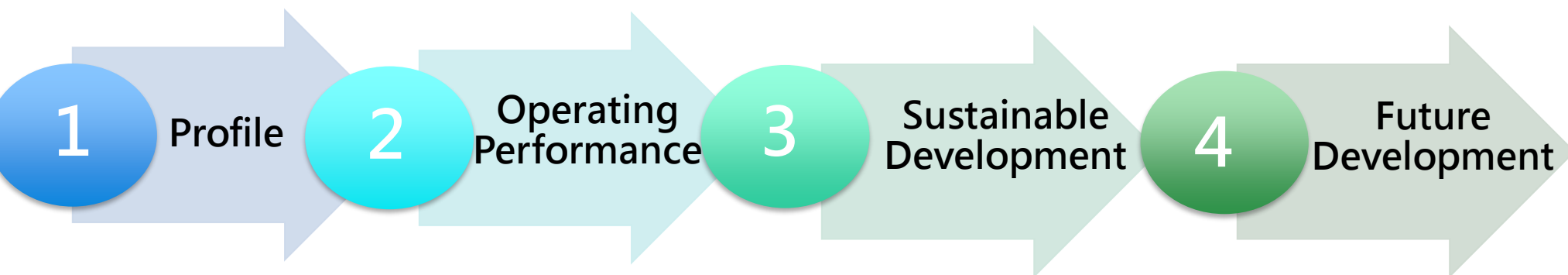
Safe Harbor statement

- This presentation may contains forward-looking statements. All statements other than historical and current fact, without limitation, including business outlook, predictions, estimates, are forward-looking statements.
- Such statements are based upon management's current beliefs and expectations and are subject to various risks, uncertainties and other factors that could cause actual outcomes and results to differ materially.
- We caution readers not to place undue reliance on forward-looking statements as these statements speak only as of the date they are made, and we disclaim any obligation to, update or alter any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law or regulation.
- This cautionary statement is applicable to all forward-looking statements contained in this presentation.

Recap of Recent Major Events

- CSCC Board of directors approved the investment in a second line of graphitization furnaces at the Pingnan Carbon Materials Plant.(2022/05/05),estimated completion date is second quarter 2024.
- CSCC Board of directors approved the setup of the halogen purification furnace to facilitate development of highly pure carbon materials.(2022/08/03) ,estimated completion date is second quarter 2023.
- CSCC Board of directors approved to suspend capital injection to Formosa Ha Tinh Steel Corporation (FHS).(2022/08/03)
- CSCC Board of directors approved to cancel joint venture collaboration agreement with Formosa Ha Tinh Steel Corporation (FHS).(2022/12/28)
- CSCC Board of directors approved the investment in a second line of carbonization furnaces at the Pingnan Carbon Materials Plant.(2021/05/06), the project has been completed and accepted.

Agenda



1、Profile



Basic information

Company name	China Steel Chemical Corporation
Inception	February 3, 1989
Company Address	25F, No. 88, Chenggong 2nd Road, Qianzhen District, Kaohsiung City, 806
Capital	NT\$2,369,044,800
Listed Date	November 27, 1998 (Stock symbol : 1723)
Number of Employees	311 (PhD-10 、 Master-87 ; Male-87% 、 Female-13%)

- the only coal chemical company with Graphitization Furnace in Taiwan

The structure of shareholder

Major shareholder	Percentages
China Steel Corp.	29.04%
Fubon Life Insurance Co., Ltd.	5.31%
International CSRC Investment Holdings Co., Ltd.	4.96%
Ever Wealthy International Corp.	2.01%
Chi Cheng Teh Invstment Co., Ltd.	1.46%

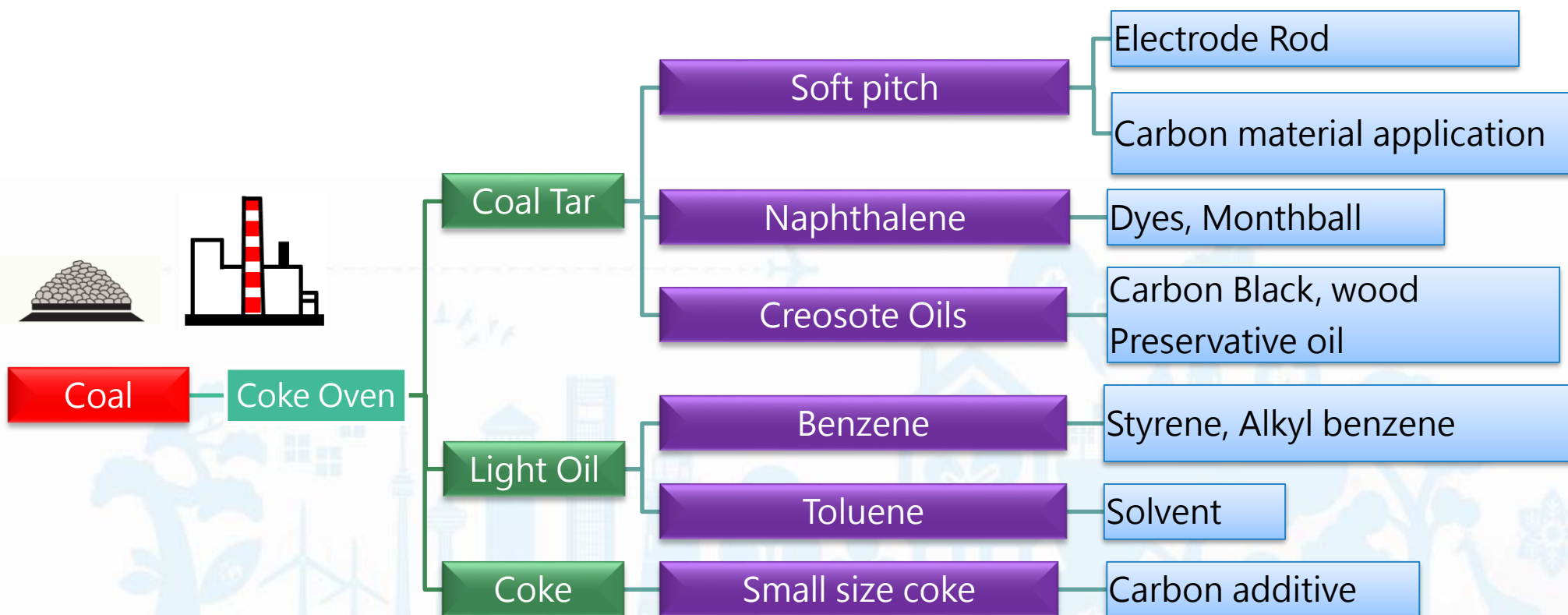
As of : July 11,2022

The Relating Product Map of Coal Chemical Industries

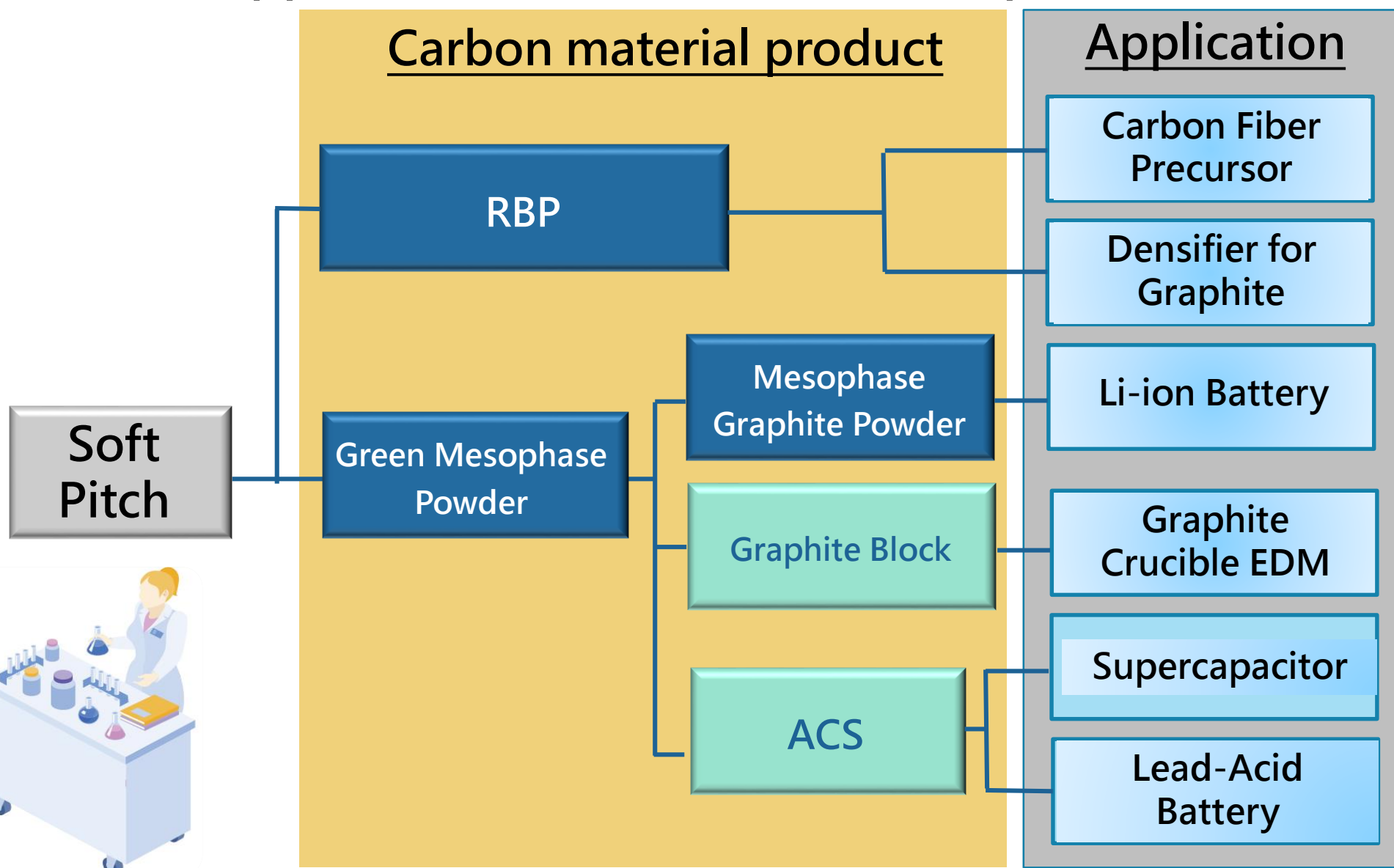
Upstream
(CSC · DS)

Midstream
(CSCC)

Downstream

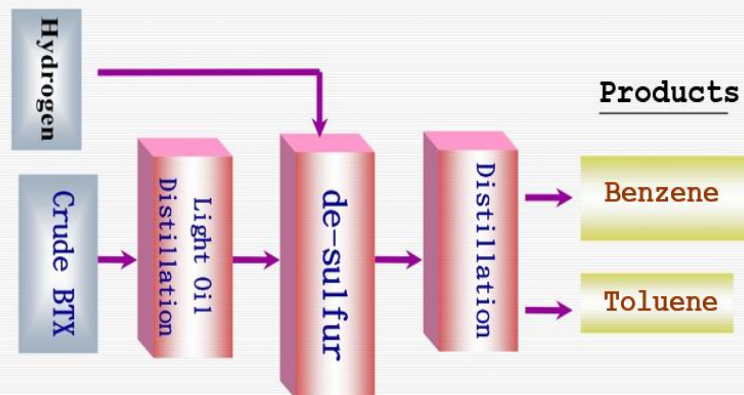


Applications of Carbon material product

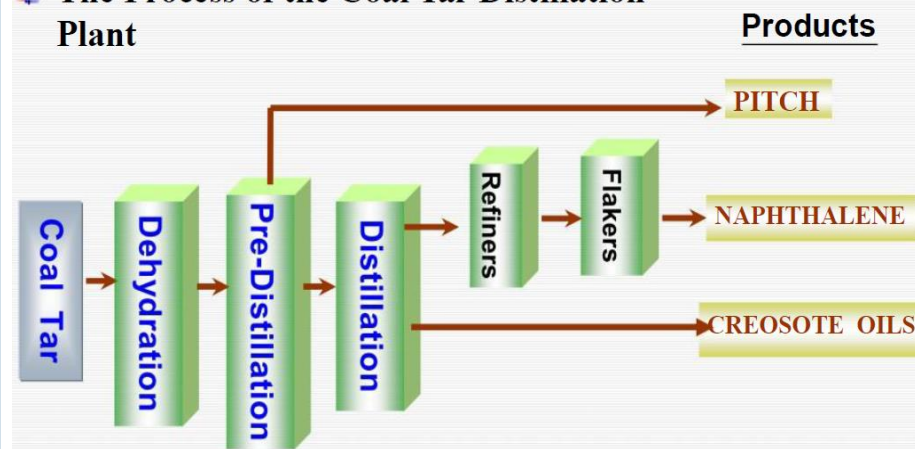


The Relating Product Map of Coal Chemical Industries

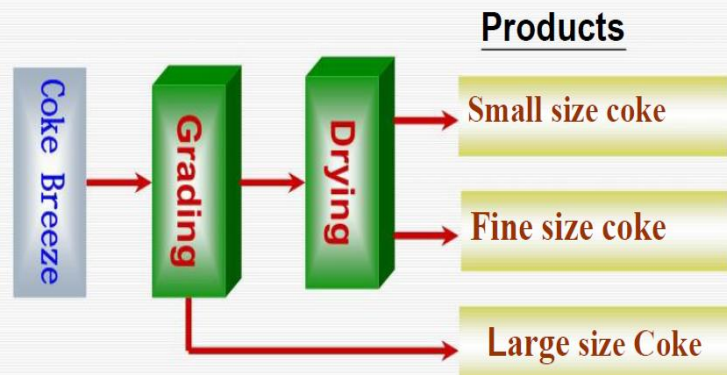
The Process of the Light Oil Distillation Plant



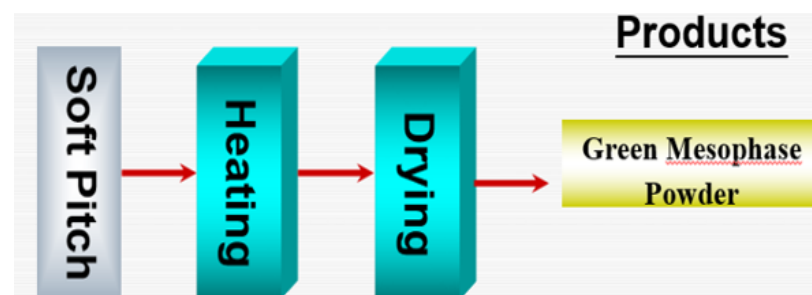
The Process of the Coal Tar Distillation Plant



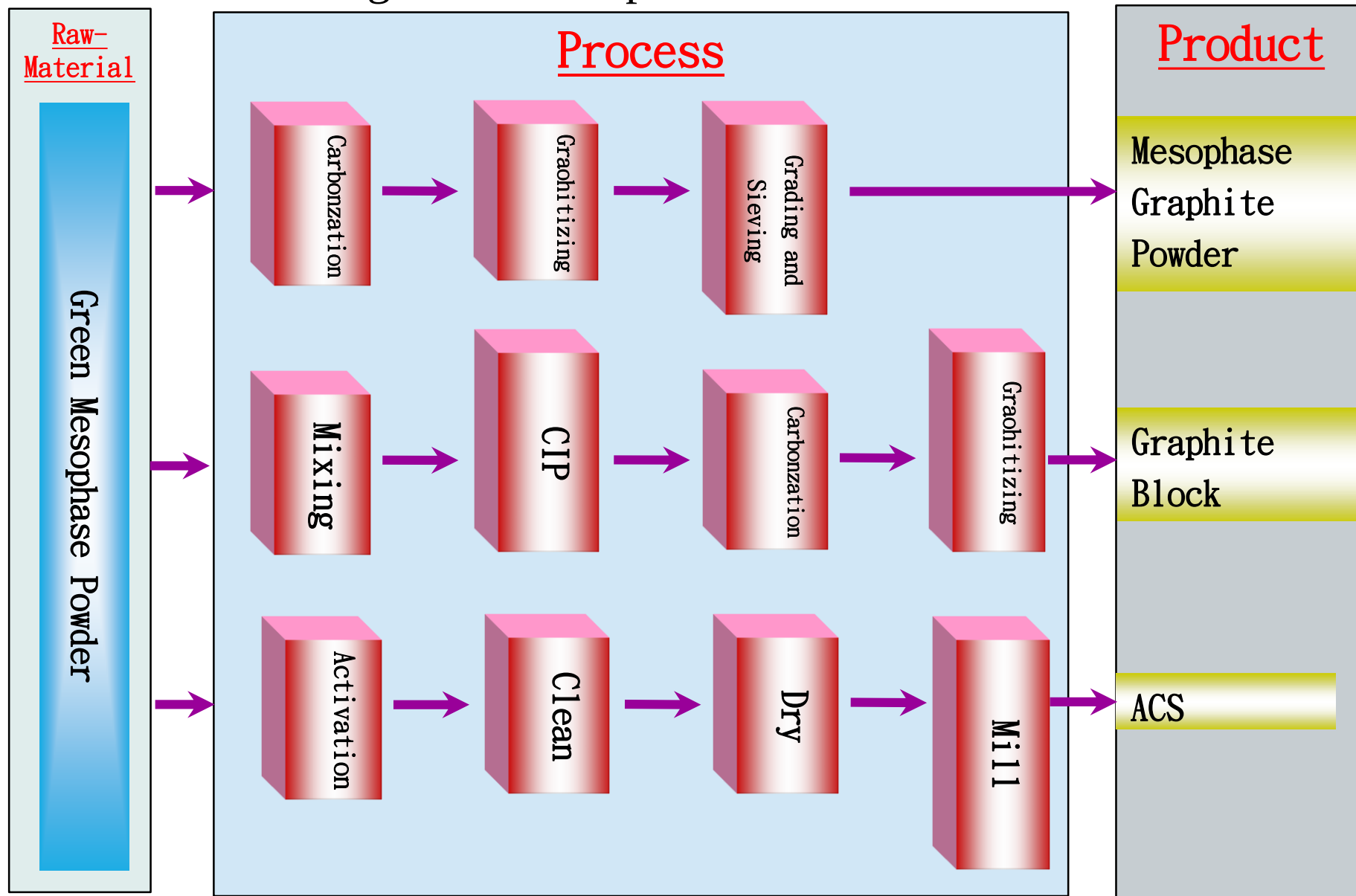
The Process of the Coke Breeze Plant



The Process of the Green Mesophase Powder plant



The Relating Product Map of Carbon Material Industries

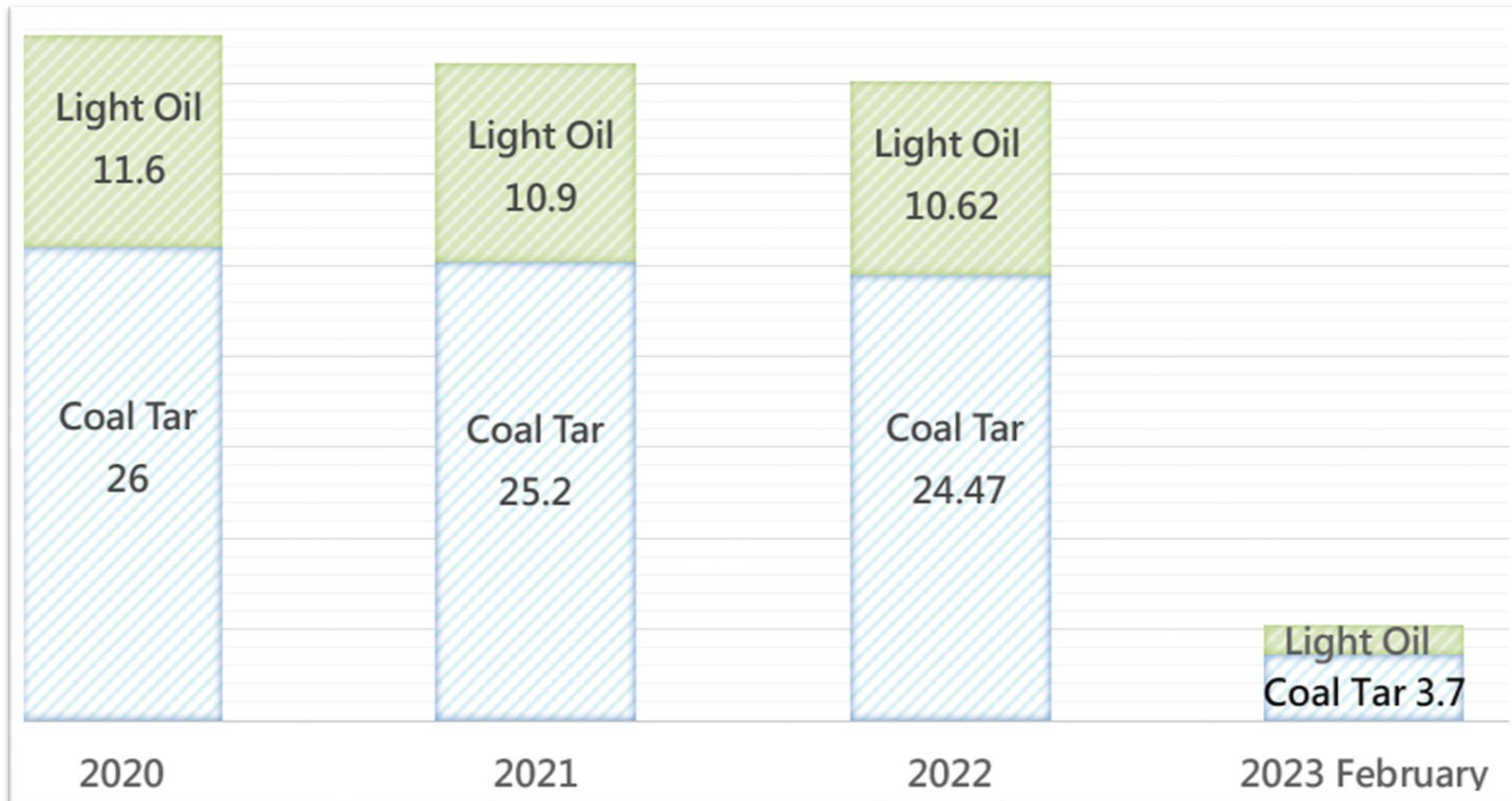


2、Operating Performance

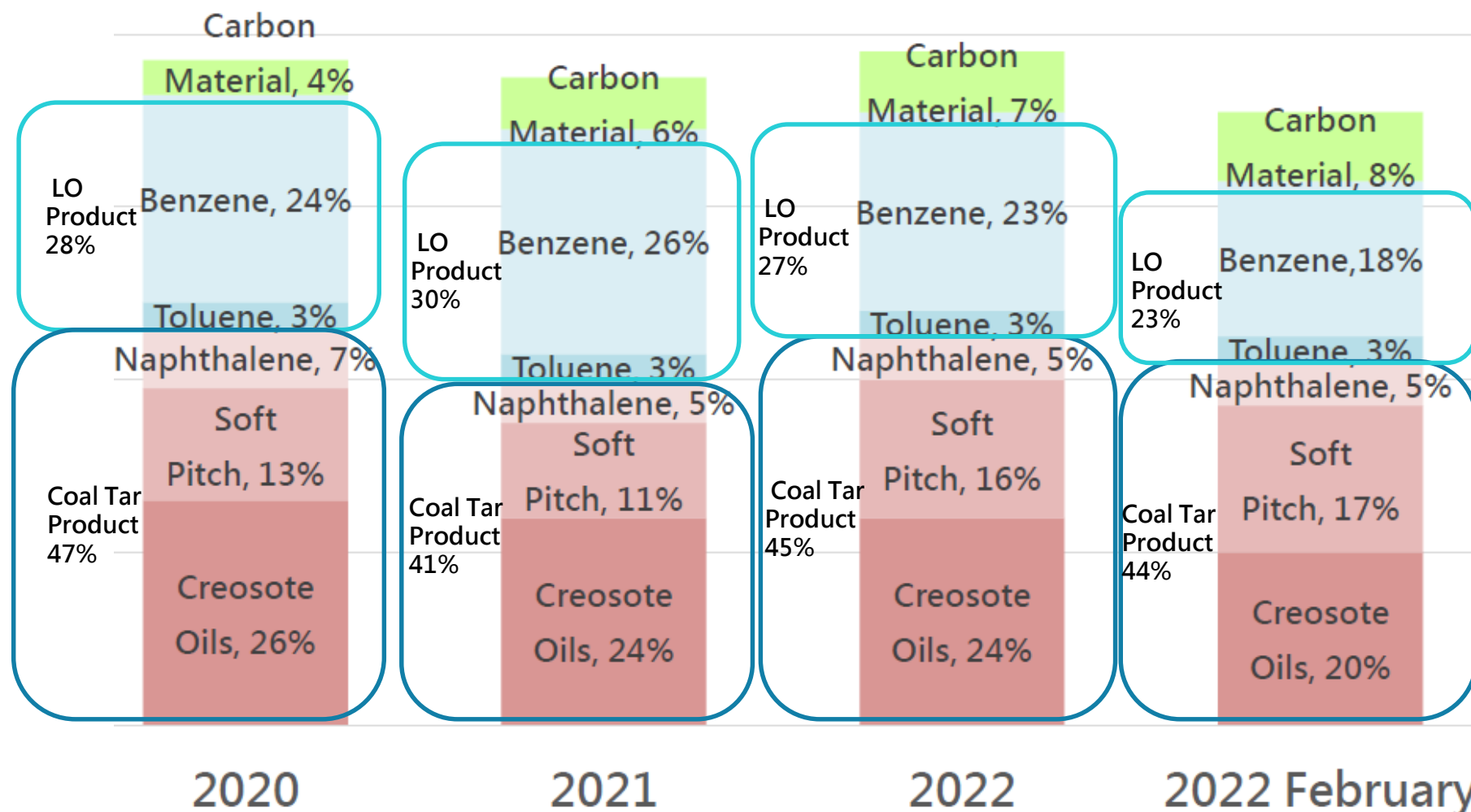


Raw material inputs

Unit : ten thousand metric tons

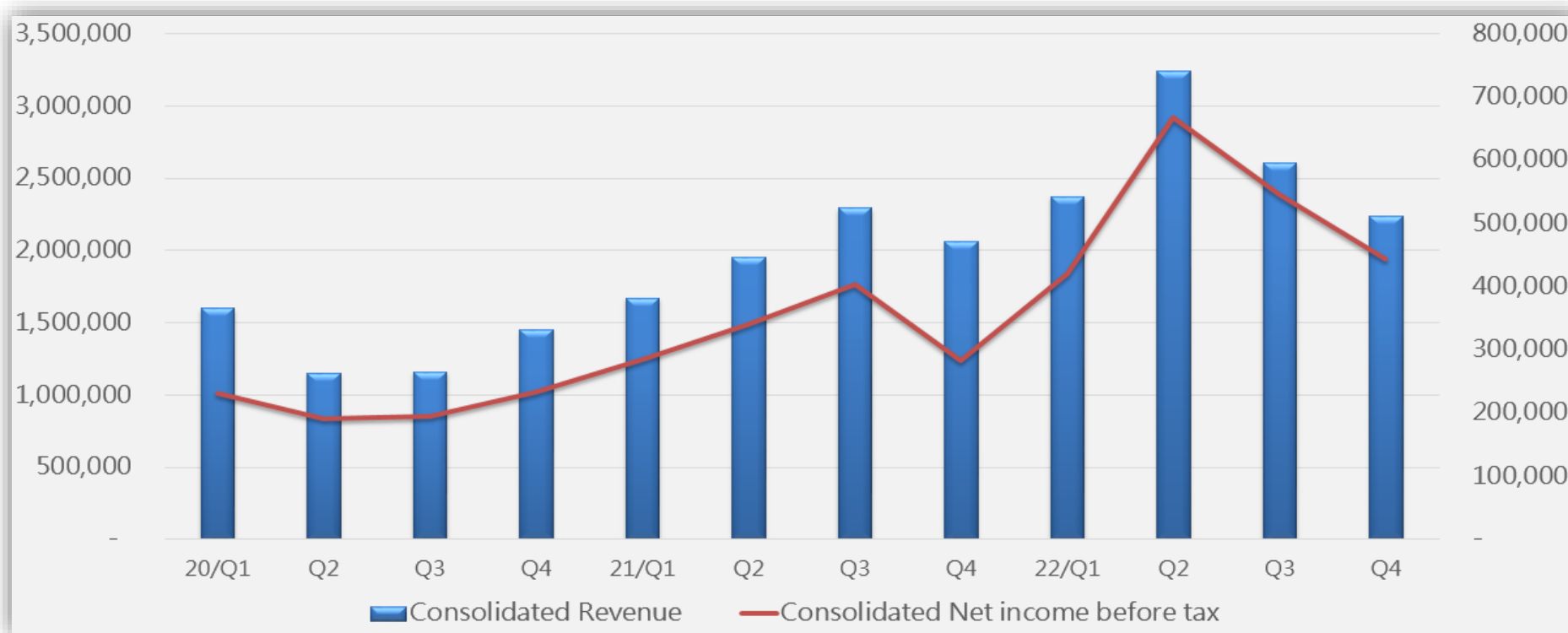


Revenue breakdown by products in the past three years



Consolidated Revenue and Net income before tax in the past three years

Unit : NTD Thousand



	2023 January	2023 February
Consolidated Revenue	672,027	839,791
Consolidated Net income before tax	71,886	208,988

2022

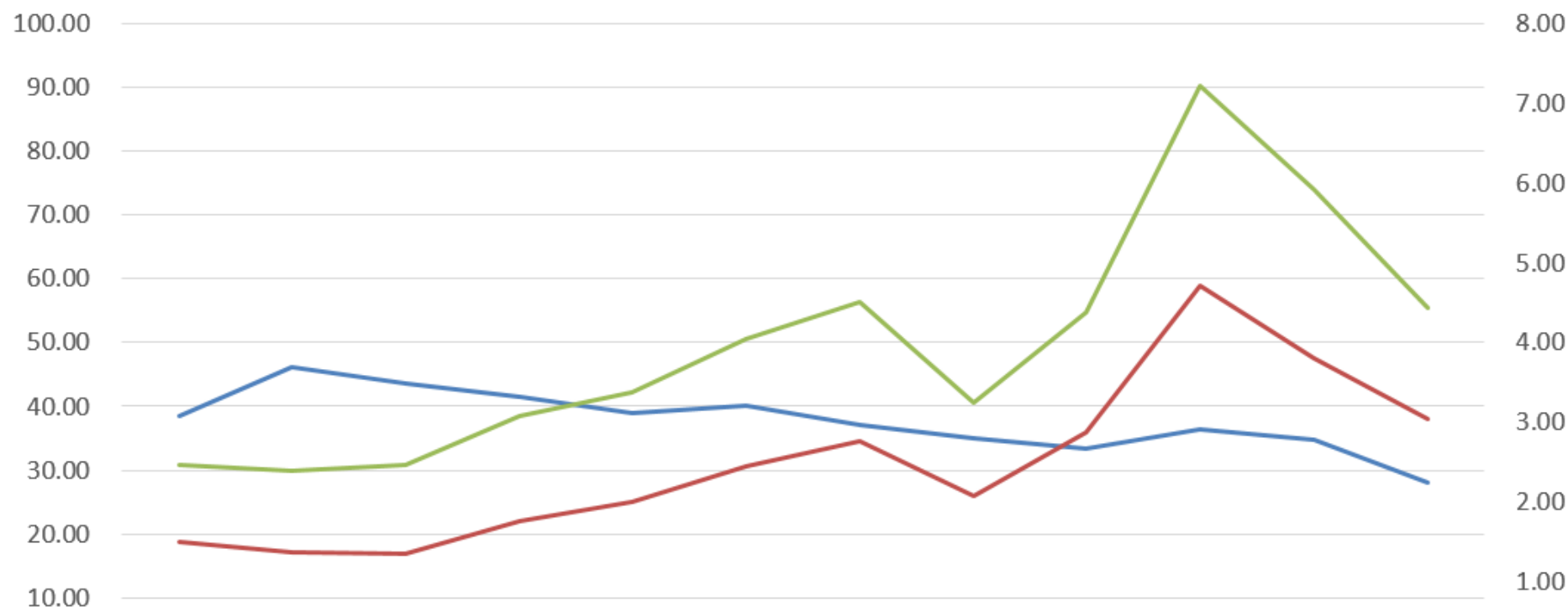
Revenue : 10,459,797 ; Net income before tax : 2,078,103

2023 January to February

Revenue : 1,511,818 ; Net income before tax : 280,874

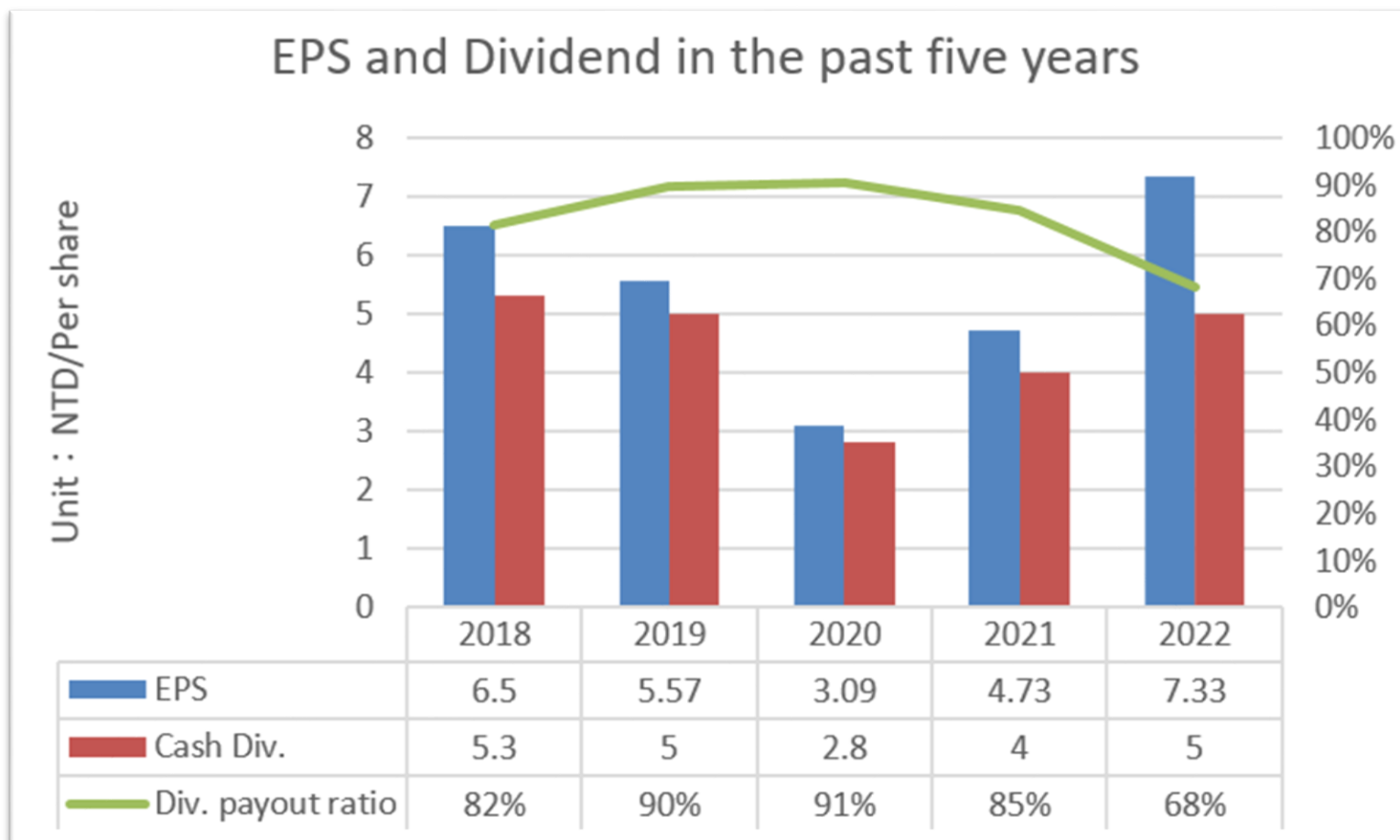
Major financial indicator

Unit : %



	20/Q1	Q2	Q3	Q4	21/Q1	Q2	Q3	Q4	22/Q1	Q2	Q3	Q4
Debt ratio	38.54	46.08	43.54	41.51	38.87	40.00	37.05	35.07	33.30	36.34	34.84	27.95
ROA	1.51	1.38	1.36	1.77	2.01	2.45	2.77	2.07	2.88	4.71	3.81	3.04
ROE	2.47	2.39	2.47	3.08	3.37	4.05	4.51	3.24	4.37	7.22	5.91	4.44

Dividend Policy



*The appropriations of earnings for 2022 are subject to the resolution in the shareholders' meeting to be held in June 2023.

3 、 Sustainable Development



Energy saving and carbon reduction

Energy management



Water resources management



Air pollution reduction



Carbon Neutrality



Cumulative average electricity saving rate

Water/Waste water use intensity

Air pollution reduction

Greenhouse gas reduction

Short-term goals (2023)

2015~2022>1%

Reduce by 1% on average

Reduce sulfur oxide (SOx) emissions to less than 5 tons per year

Reduce greenhouse gas emissions (Scope 1 and 2) by 2% with 2021 as the base year

Medium-term goals (2024-2027)

2015~2027>1.05%

Reduce by 1.5% on average

Reduce SOx emissions to less than 3 tons per year
Reduce NOx emissions to less than 20 tons per year

Reduce greenhouse gas emissions (Scope 1 and 2) by 2% with 2021 as the base year

Long-term goals (2028~)

2015~2032>1.1%

Reduce by 2% on average

Reduce nitrogen oxide (NOx) emissions to less than 15 tons per year

Reduce greenhouse gas emissions (Scope 1 and 2) by 5% with 2021 as the base year

Corporate governance Evaluation

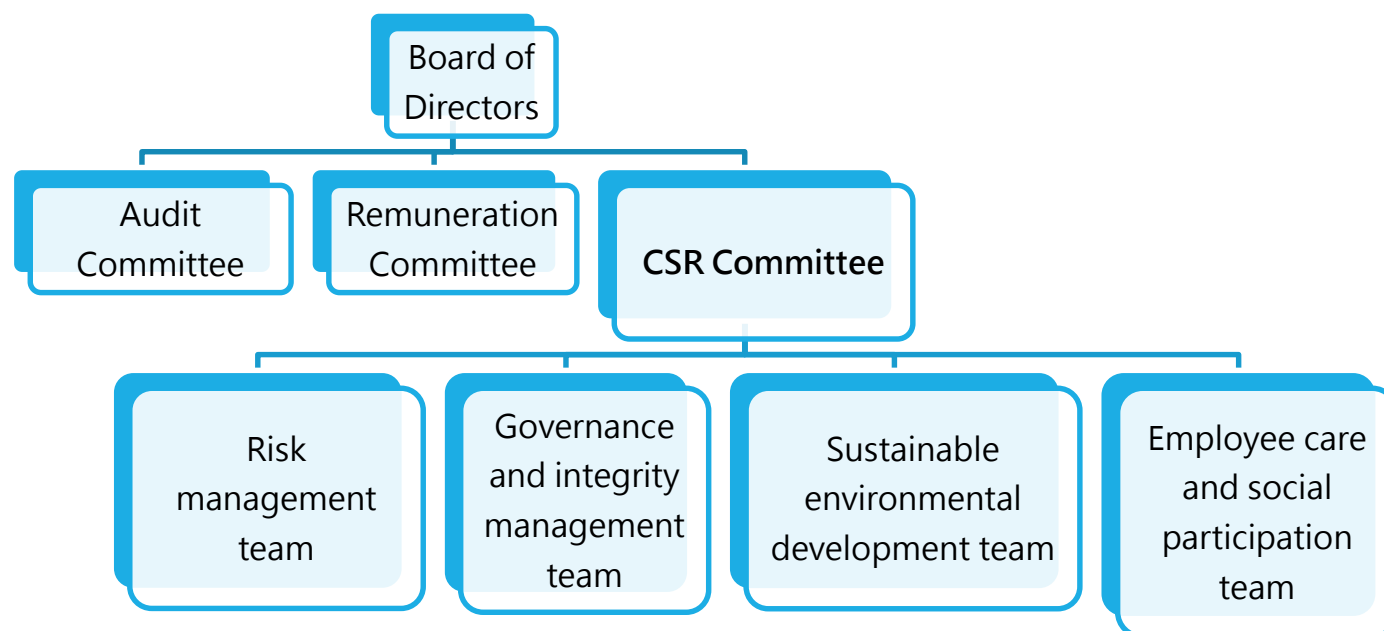
Governance



According to corporate governance evaluation results, CSCC was in the top ten percent (10 billions market value).

CSCC was involved TWSE Corporate Governance 100 index.

To establish Sustainable Development Committee.



ESG Awards

SGS-2019
Elite Award

TCSA - 2019
Taiwan Corporate
Sustainability Award

Gold Award from
TCSA (2019~2022)

Annual Enterprises
Protection Award-
2022



Awarded TIPS Level A Patent and
certification



Commence the introduction of the Task
Force on Climate related Financial
Disclosures(disclose guide for financial
information in CSR report.

Awarded Badge of Accredited Healthy Workplace

Sustainability Linked Loan

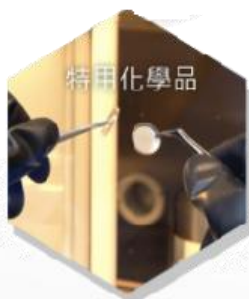
Top 100 Carbon materials competitiveness
on Business Weekly



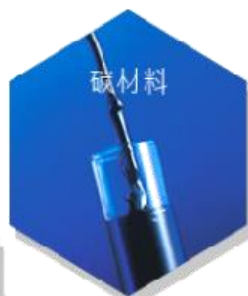
4、Future Development



顧客至上



特用化學品



碳材料

品質第一

誠信為先



展望未來

合作無間

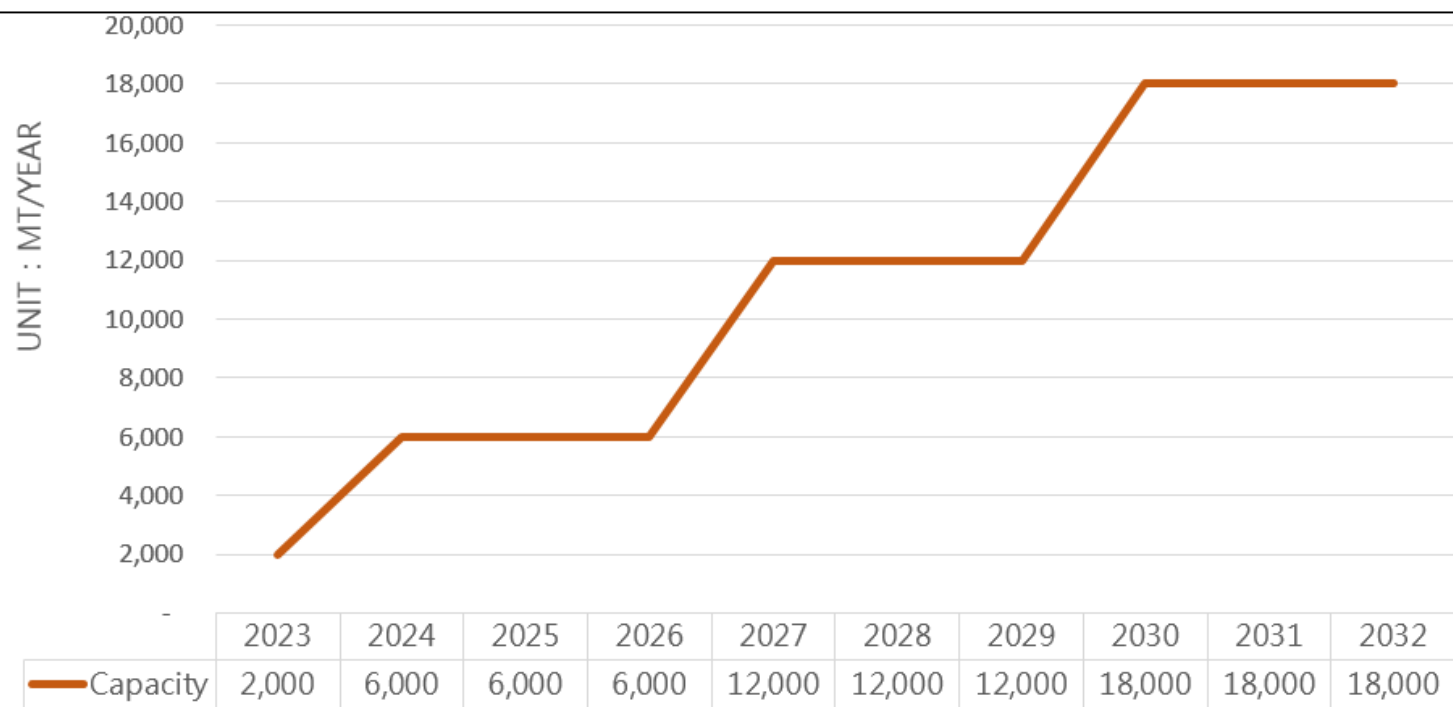
Anode material

Advanced Carbon for Supercapacitors

Graphite Block

Carbonization Furnaces Expansion

(Estimated) Schedule	Now	2024	2027	2030
(Estimated)Capacity	2,000 MT Per Year	4,000 MT Per Year	6,000 MT Per Year	6,000 MT Per Year



CSCC's Meso-Graphite

- Application: High Energy & Power density in LIB
- Feature: High first columbic efficiency, high energy density, high discharge capability and long cycle life.

Energy Density(Wh/Kg):Low

High

Power Density(W/Kg):Strong

Low

MG10
MG08

MG11
FMGP

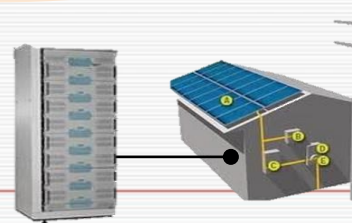
MG12
MGP

MG13

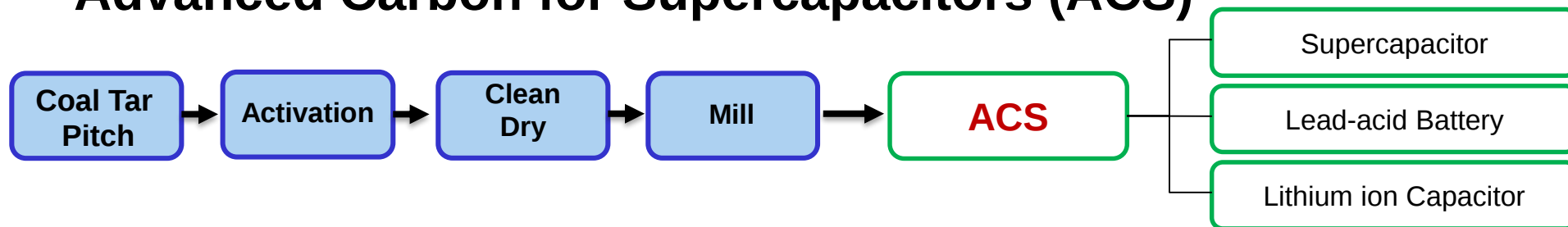
PT/HEV

EV/ESS

Tablets/3C



Advanced Carbon for Supercapacitors (ACS)



Features of ACS

- ✓ High Surface Area
- ✓ High Capacitance
- ✓ High Quality

- ACS annual production capacity is 90MT/year

Applications of Supercapacitors

- Supercapacitors have high efficient charge and discharge characteristics. Cycle life is more than twenty thousand times.
- High power discharge application

Light Rail Transit

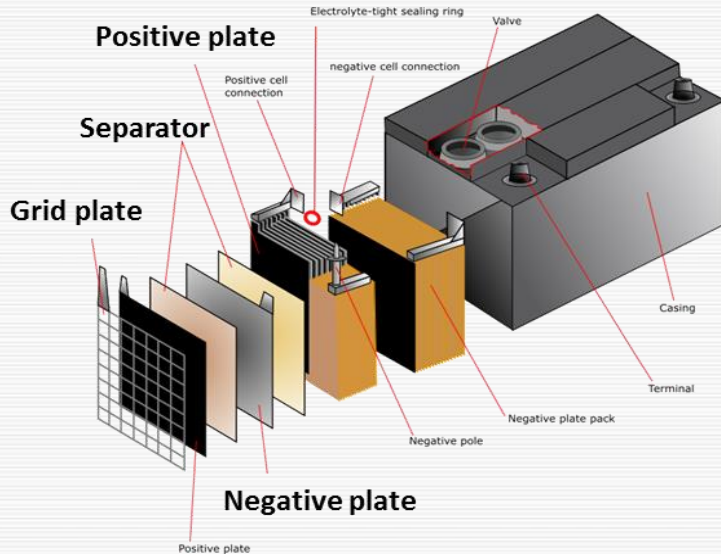


Wind turbine



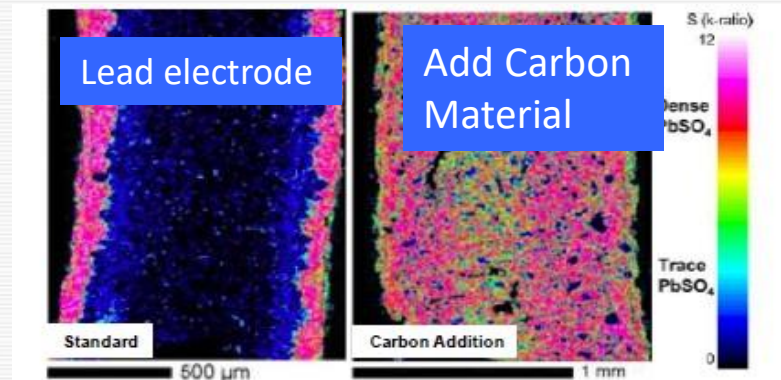
Introduction of Advanced Lead-Acid Battery

Structure of Lead-Acid Battery



Advantages of addition activated carbon into LAB

1. Increasing conductivity
2. Improving the uniformity of Pb/PbSO_4
3. Capacitance effect
4. Low amount of maintenance
5. Extending the life of LAB

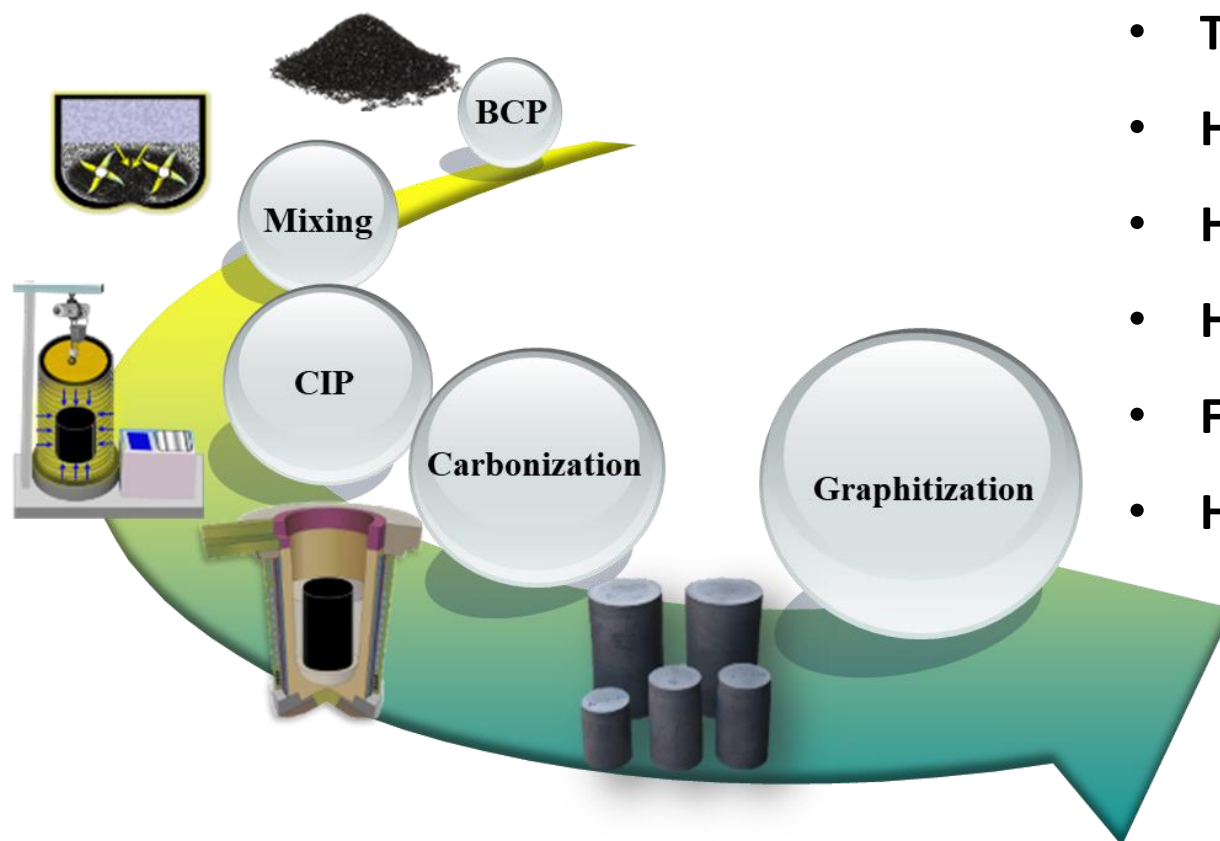


Elimination of hard sulfation by carbon additions, allowing more complete usage of the battery (both images are from cells at end of life). Fernandez et al., 2010.

Source: Pavlov D., Lead-acid Batteries: Science and Technology. Elsevier, 2011.



Graphite Block



- Thermal and Chemical Resistance
- High Thermal Conductivity
- High Purity
- High Density
- Fine Structure
- Homogeneous

Graphite Block Application

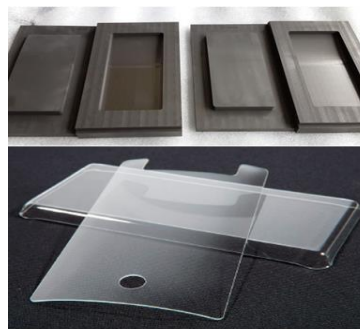


Continuous Casting



EDM

Graphite Block for large Size (>30cm) EDM continuously study high-end product.



3D Glass Mold

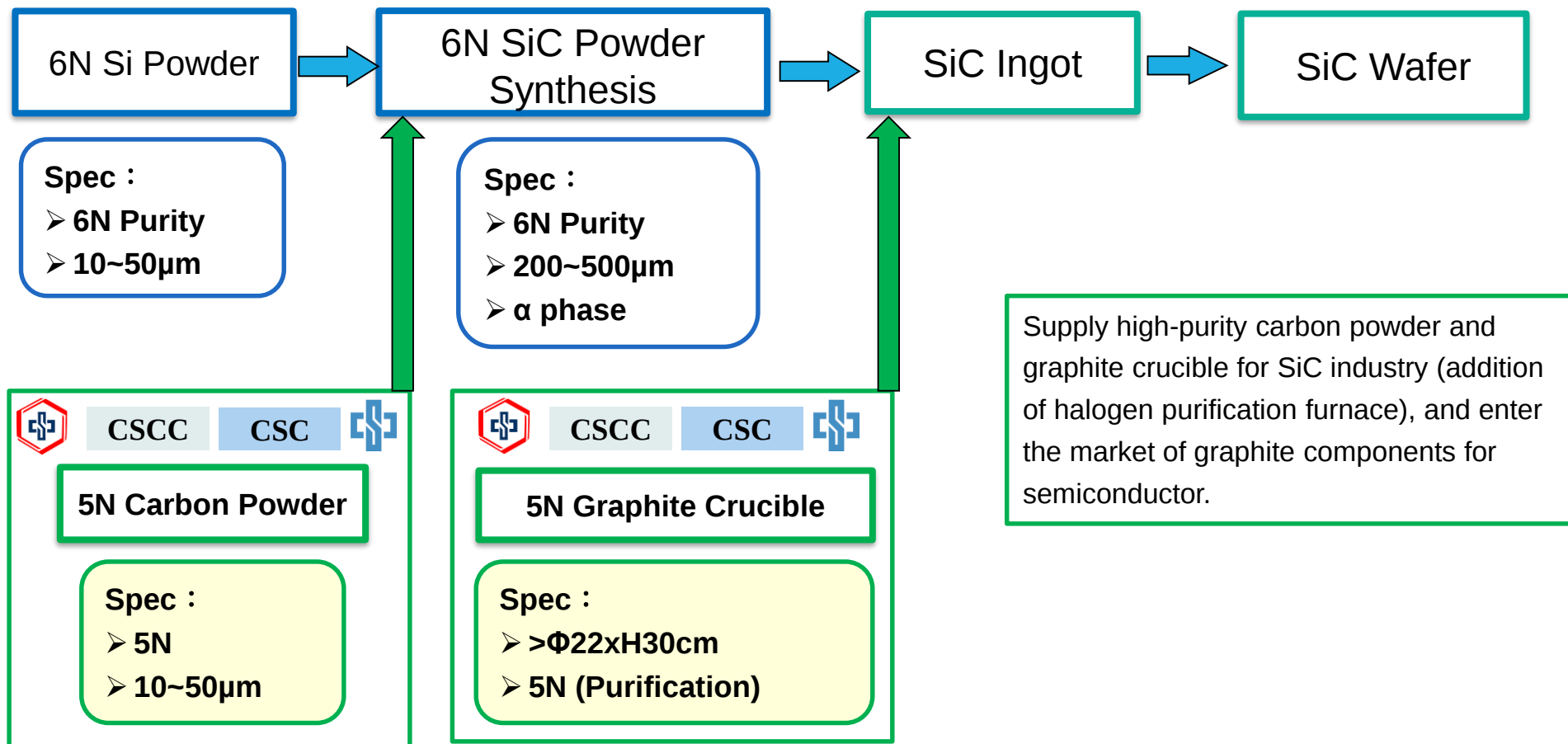
Being verified by customers.



Crucibles

Graphite crucible for SiC industry are being verified by customers.

Carbon Material for Compound Semiconductor (SiC)



Our Vision

煤化學及碳材料的領航者

顧客至上、誠信為先、品質第一、合作無間





Q&A

