CHINA STEEL CHEMICAL CORPORATION

Investor Conference

March 2026

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- This cautionary statement is applicable to all forward-looking statements contained in this presentation.

Agenda

01 Company Profile

02 Operating Performance

03 Sustainable Development

04 Development strategy

Company Profile

01

CHINA STEEL CHEMICAL CORPORATION

Stock Symbol	Year of Establishment	Capital
1723	1989	2.369 Billion

The only coal chemical plant in Taiwan.

The first professional graphitization plant in Taiwan.

Number of Employees：344

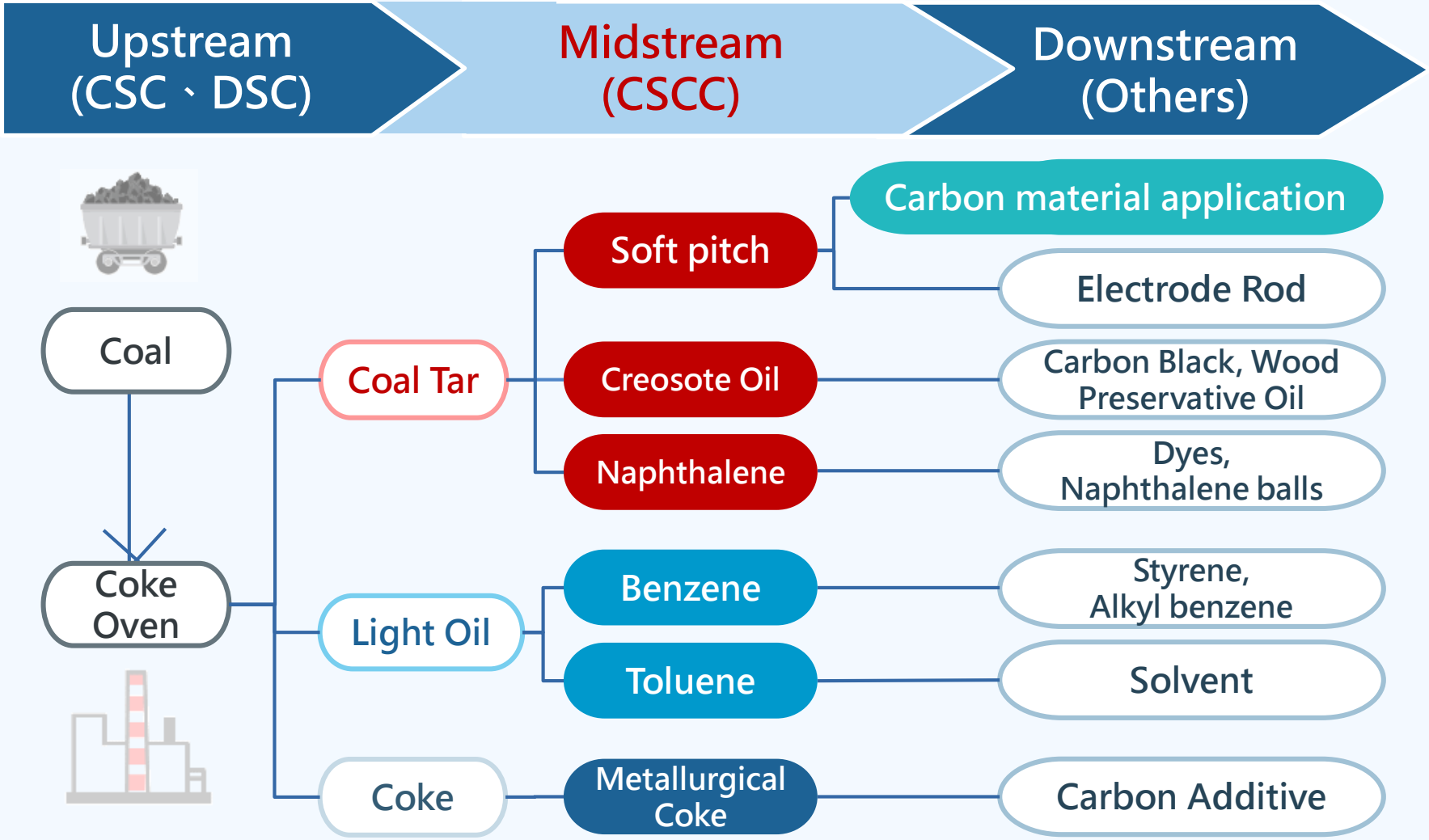
PhD-9、Master-98；Male-87%、Female-13%

Manufacture Base

Coal Chemical Plant ：Kaohsiung Linhai Industrial Park

Carbon Material Plant ：Pingnan Industrial Park

The Relating Product Map of Coal Chemical Industries

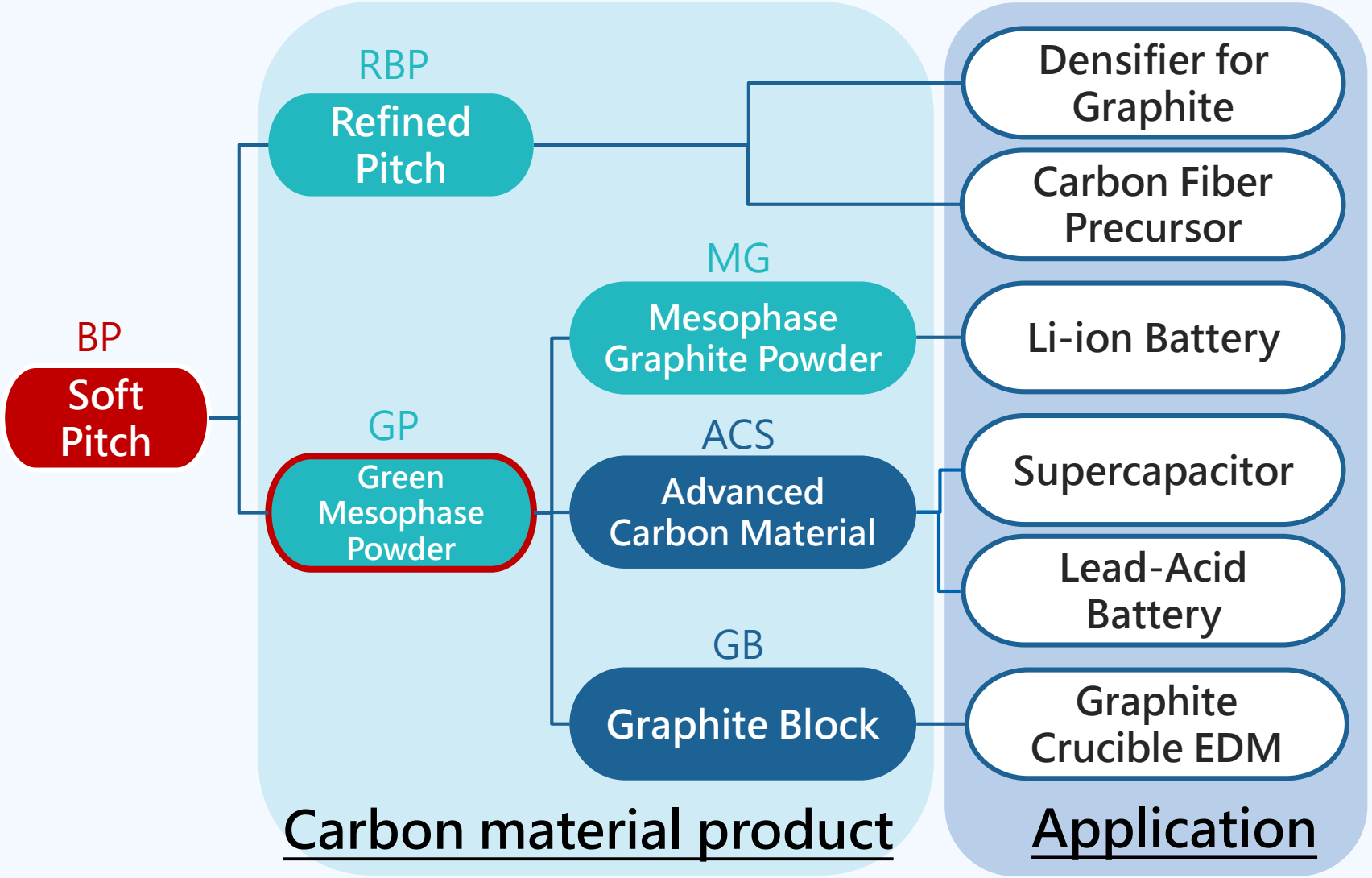


Coal Chemical Products Sales

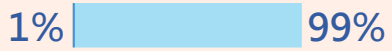
Product	Domestic / Export	Product Overview
Soft Pitch	1% / 99%	Used for baking aluminum anode materials, mainly exported to long-term customers in Australia.
Creosote Oil	46% / 54%	Used for making carbon black, a raw material for tires. Export market mainly in Japan.
Naphthalene	10% / 90%	Used for making naphthalene balls and dyeing pigments. Naphthalene balls exported to Southeast Asia, and dyeing pigments exported to India.
Benzene	100%	A basic raw material for the petrochemical industry with wide applications. Insufficient domestic supply must rely on imports, and now for all are domestic sales .
Toluene	1% / 99%	Used as a solvent, mainly exported to Singapore.
Metallurgical Coke	99% / 1%	After partial processing, supplied to domestic customers for making carbon- additive.

Note: The ratio of domestic and export is the ratio of revenue in 2025.

Applications of Carbon Material Product



Carbon material product

Product	Domestic / Export	Product Overview
Mesophase Graphite Powder		Sold to battery cell factories for making Li-ion Battery, with exports primarily to China, Japan, and Southeast Asia.
Green Mesophase Powder		Mainly sold to anode material factories for producing anode materials, with exports primarily to China. And also used for other applications in non-anode materials.
Refined Pitch		Sold for use in steelmaking electrode rods for dipping processing, with exports primarily to Southeast Asia, Japan and India.
Advanced Carbon Material		Mainly sales materials for supercapacitors, advanced lead-acid batteries, and lithium-ion capacitors, with markets including Japan, South Korea, China, and Taiwan.
Graphite Block		Mainly used for graphite components in silicon carbide semiconductors, metal casting, and hot-press glass molds, with a primary focus on domestic sales.

Note: The ratio of domestic and export is the ratio of revenue in 2025.

Product Coverage of a Variety of Industries

Creosote Oil

Car industry tire
- Carbon Black

Benzene

Petrochemical industry
- Basic raw material

Soft pitch

Aluminum smelting industry
- Electrode Rod

Carbon-Material

Green energy industry-
Energy storage /electric batteries

Operating Performance

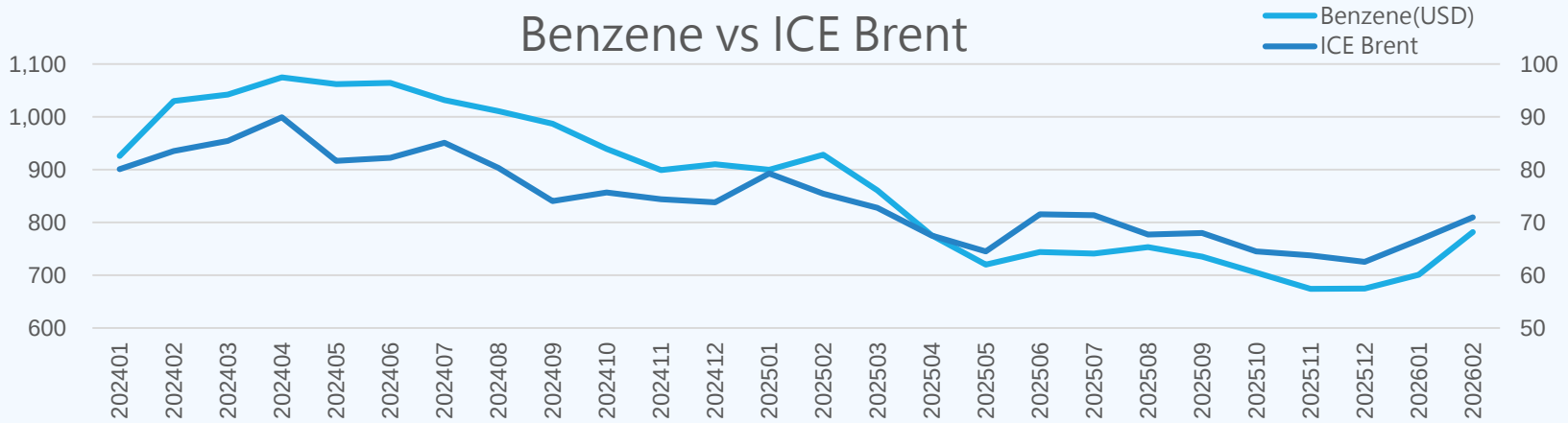
02

Recent Market Dynamics

Benzene and Oil Prices

Intense competition arose from a significant capacity expansion in China’ s petrochemical industry, leading oil and benzene prices to hit historical lows in Q4 2025.

Driven by the escalating conflict involving the U.S., Israel, and Iran, oil prices saw a sharp reversal. Benzene prices subsequently rebounded, supported by rising oil costs and strengthening downstream demand for styrene.



Carbon Materials

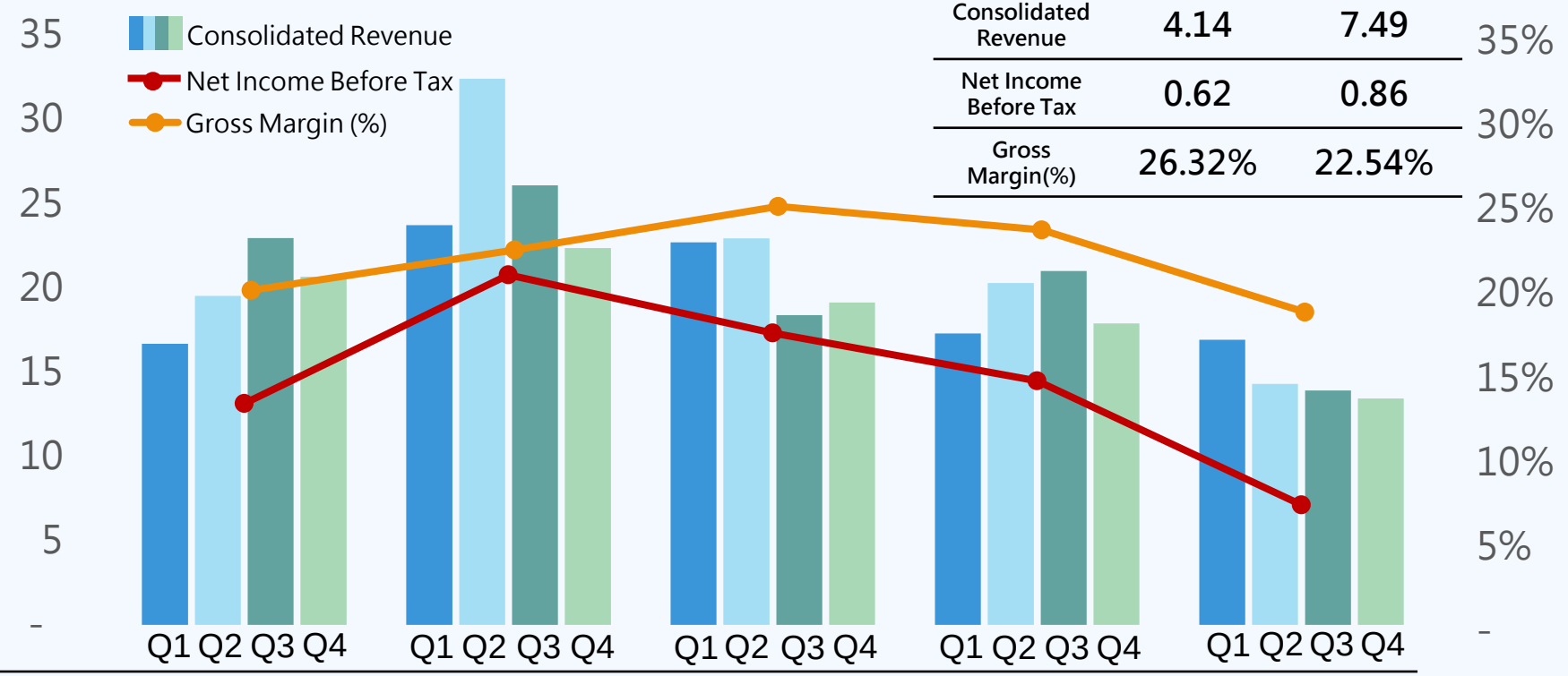
China’ s severe anode material overcapacity and rising economic uncertainty continue to dampen market conditions.

As synthetic graphite prices are highly correlated with petroleum coke (raw material), we are closely monitoring the impact of geopolitical conflicts on oil and coke costs.

Consolidated Revenue and Net Income Before Tax in the Past Five Years

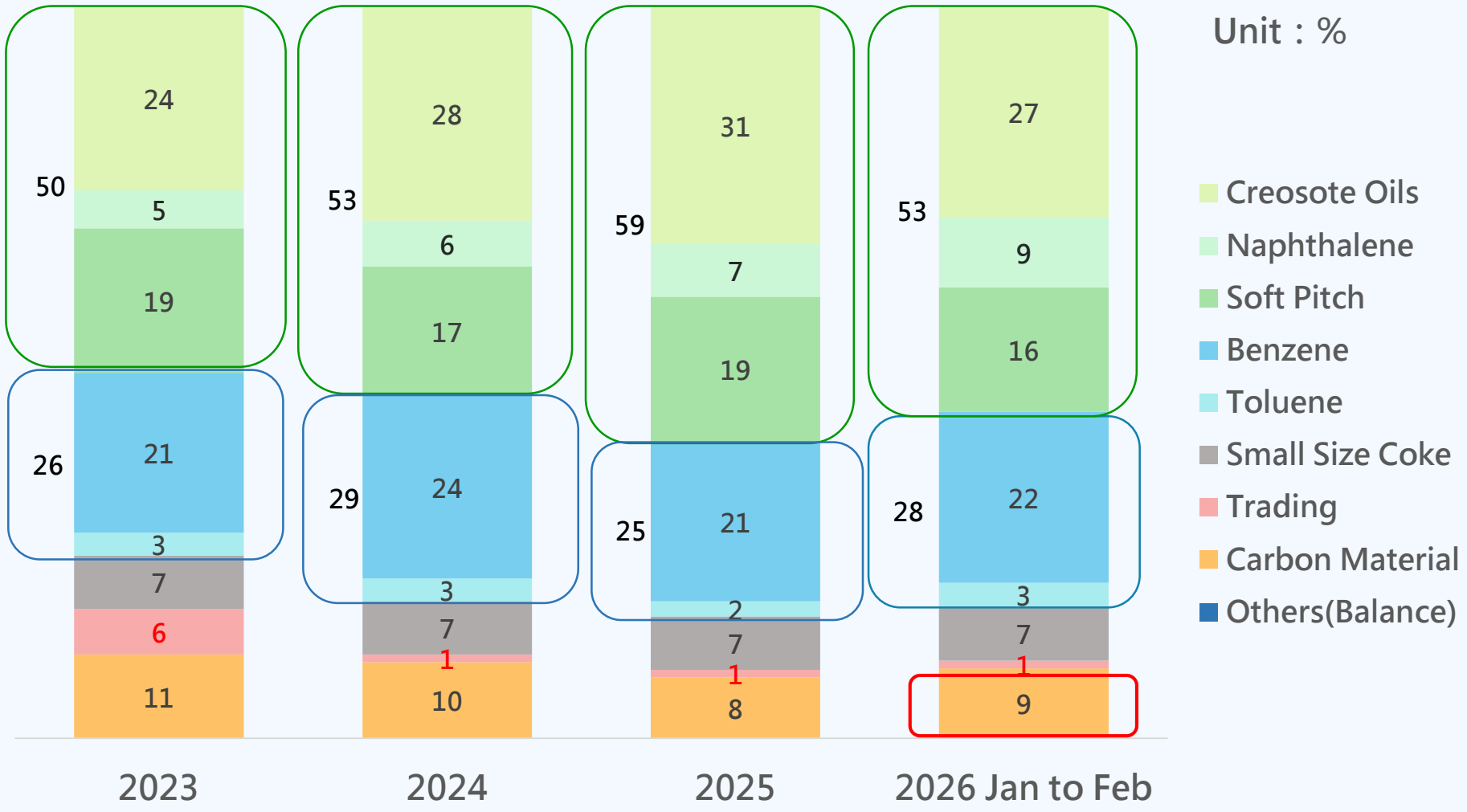
Unit：NT$100 Million

2026	Feb.	Jan.~Feb.
Consolidated Revenue	4.14	7.49
Net Income Before Tax	0.62	0.86
Gross Margin(%)	26.32%	22.54%

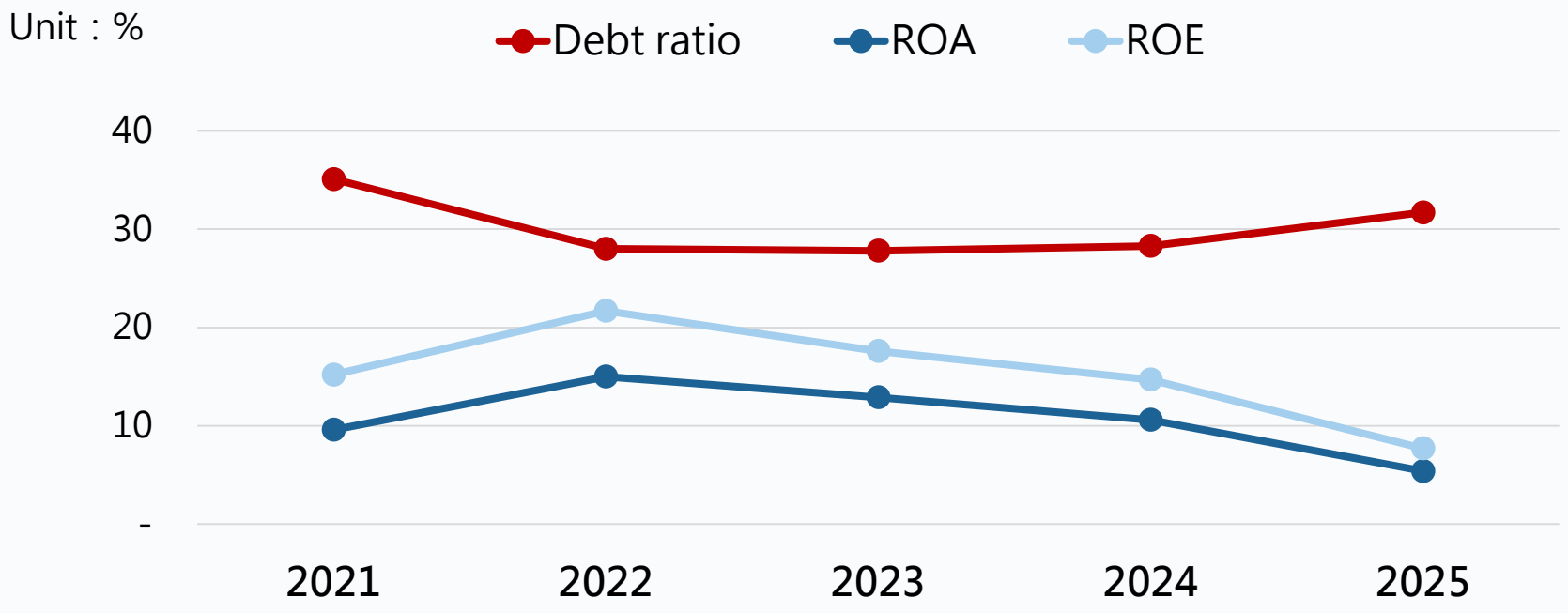


	2021	2022	2023	2024	2025
Consolidated Revenue	79.82	104.60	83.18	76.47	58.58
Net Income Before Tax	13.13	20.78	17.33	14.48	7.11
Gross Margin(%)	20.22	22.62	25.20	23.81	18.93

Revenue breakdown by Products in the past three years

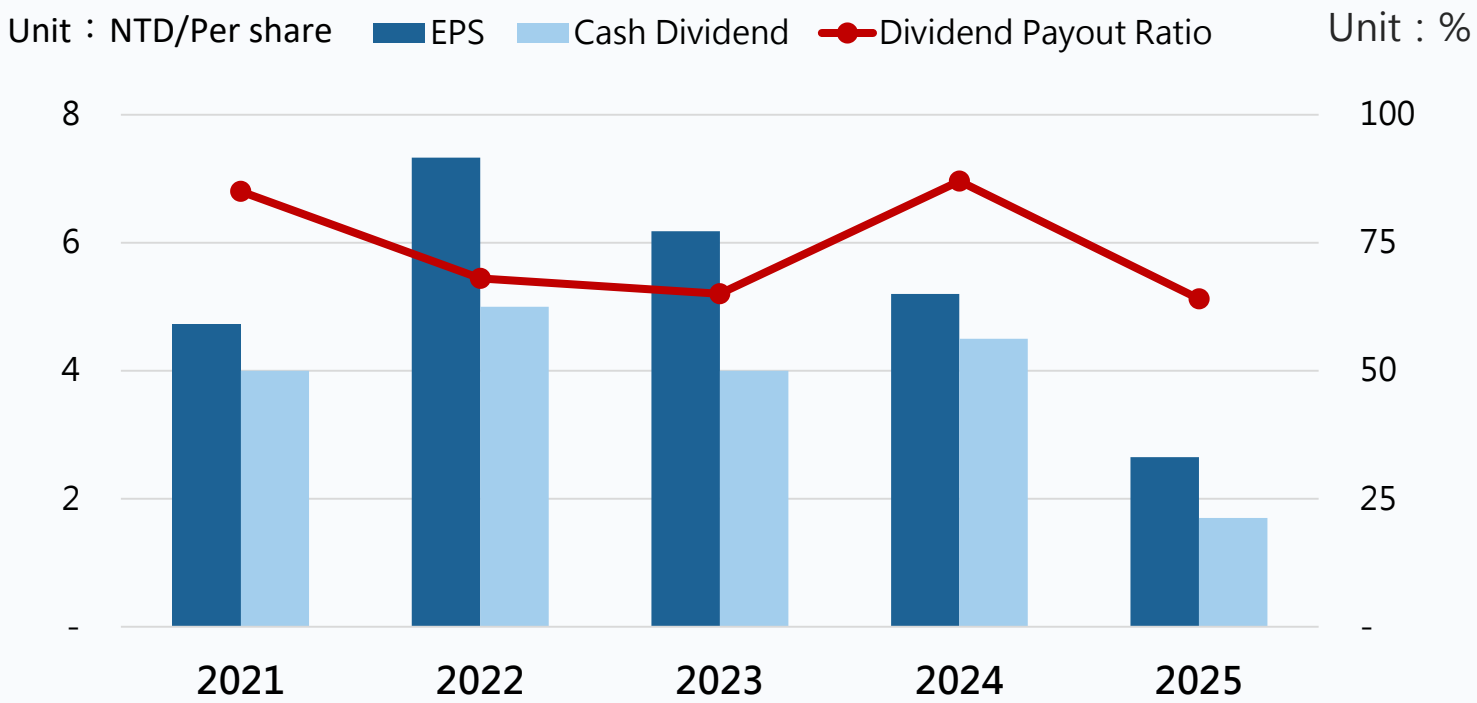


Major Financial Indicator



	2021	2022	2023	2024	2025
Debt ratio	35.1	28.0	27.8	28.3	31.7
ROA	9.6	15.0	12.9	10.6	5.4
ROE	15.2	21.7	17.6	14.7	7.7

Dividend Policy



	2021	2022	2023	2024	2025
EPS	4.73	7.33	6.18	5.20	2.65
Cash Dividend	4	5	4	4.5	1.85*
Dividend Payout Ratio	85	68	65	87	70*

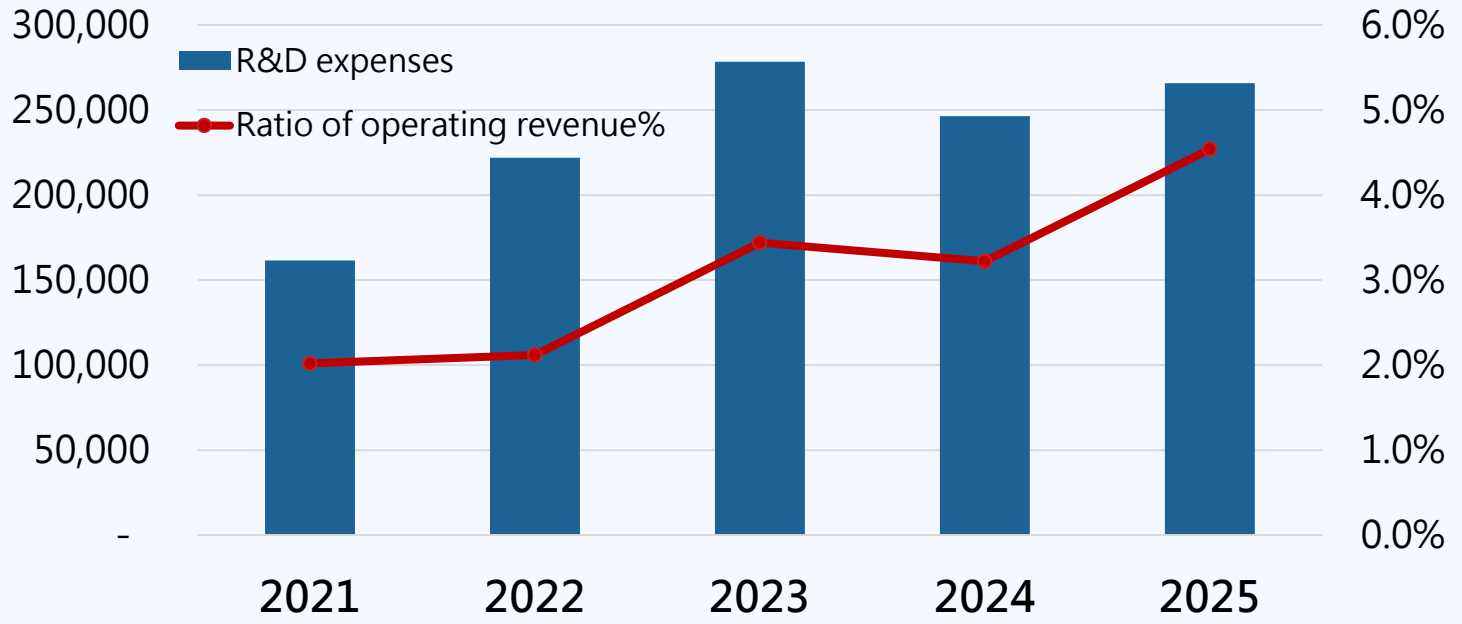
* The proposal remains subject to the final approval of the 2026 Annual General Meeting of Shareholders.

✓ **CSCC has been profitable for 30 consecutive years. The total amount of distributed dividends (including stock dividends) is above NT$130.**

R&D expenses and Industrial innovation

Unit：NTD Thousand

Group Synergy: Building Competitive Edge in Carbon Materials.



Industrial innovation subsidy projects in recent years	Execution situation
I-The development of high-purity carbon powder and isotropic graphite for use in compound semiconductors.	Completed
II-The development of anode materials for electric bus batteries.	Completed
III-The development of high-purity graphite crucible for SiC crystal growth used in compound semiconductors.	Completed
IV-Anode Material Development and Verification Program for Ultra-High Power Batteries.	Executing

Sustainable Development

03

Corporate Governance

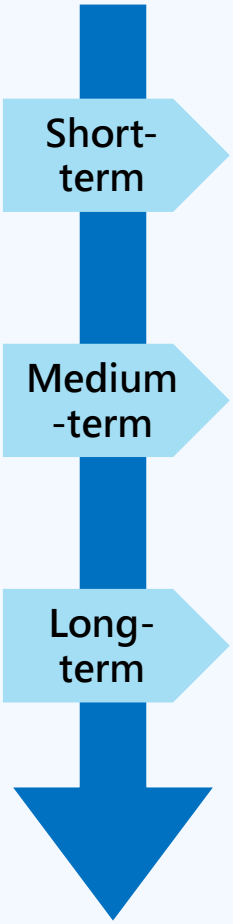
- Establish a Corporate Governance and Sustainability Committee to promote corporate social responsibility policies and sustainable operation matters.

- CSCC was in the second grade(6%~20%) according to the lasted corporate governance evaluation results(2024), and for five consecutive years.
- In March 2026, the Ministry of Environment announced the delisting of the Company's Xiaogang Plant from the Soil and Groundwater Pollution Remediation Site list.

  (The site had been under supervision since February 2016; over the 10-year remediation period, a total of NT$289 million was invested in improvements.)

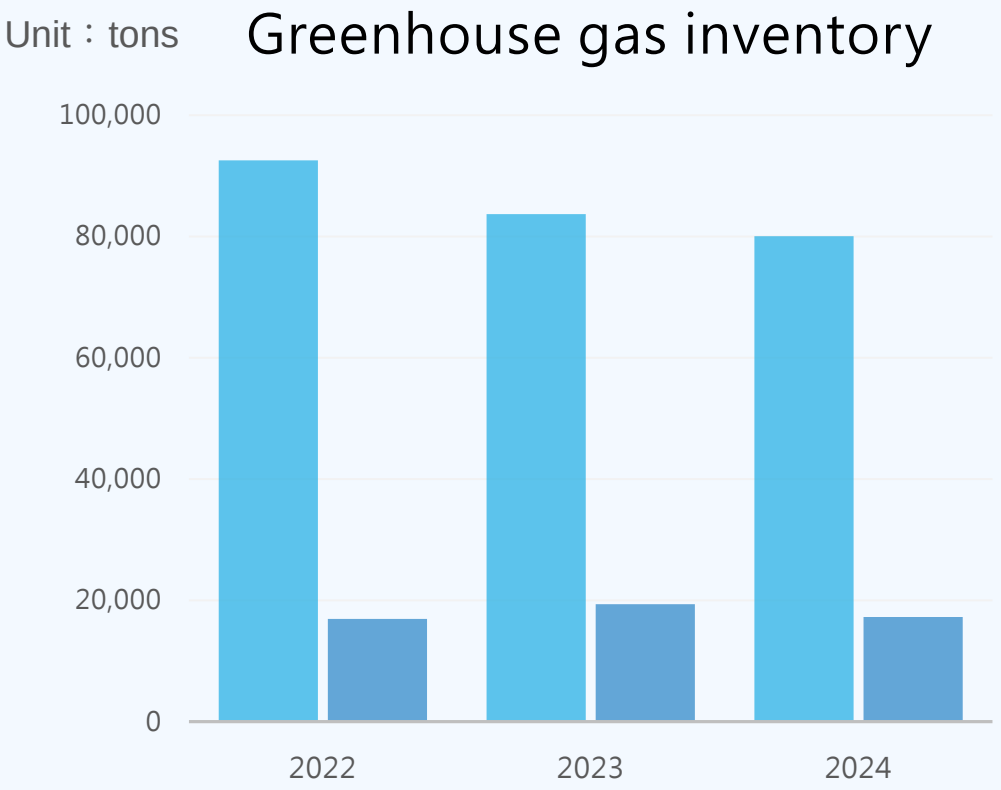
Carbon neutrality by 2050

Following the group' s policy, the company has pledged to achieve carbon neutrality by 2050. We have established short, medium, and long term strategies and targets, outlining various carbon reduction strategies and a pathway to carbon neutrality.



- ✓ Adopt mature and immediately implementable carbon reduction technologies.
- ✓ Since 2022 (the base year), a total of 95 emission reduction initiatives have been completed, resulting in a cumulative reduction of 9,866 tons of carbon emissions.
- ✓ Enhance energy efficiency by adopting innovative technologies, AI intelligence, and replacing absorption chillers, among others.
- ✓ Plan to achieve a 20% carbon reduction target by 2030 (compared to the 2022 base year).
- ✓ Reduce carbon emissions by utilizing clean energy technologies such as green power or renewable energy and hydrogen energy.
- ✓ Supplement with Carbon Capture technologies to achieve Carbon Neutrality by 2050, prioritizing reduction before removal.

Greenhouse gas inventories conducted over the past three years.



Plant of Xiaogang

- The inventoried emissions at Xiaogang Plant have steadily decreased through measures such **as process optimization , waste heat recovery, and enhanced energy utilization efficiency.**
- Applied for a voluntary reduction plan, and the **estimated carbon fee for 2025 is approximately NT$750,000 .**

Plant of Pingnan

- Pingnan Plant is still undergoing expansion, leading to continued capacity increase and consequently, higher carbon emissions.
- We are continuing to plan for the **electrification of energy and the greening of electricity**, alongside **constructing renewable energy facilities and increasing green power usage**, thereby reducing carbon emissions year by year.

ESG Implementation and Award Achievements

2022

- National Enterprise Environmental Protection Award-Bronze medal
- Top 100 Carbon materials competitiveness on Business Weekly

2021-2026

Awarded TIPS level a patent and certification

2023-2026

Awarded Certification of information security ISO 27001

2023

- Awarded for Environmental Protection Sustainability Contribution Award
- Awarded for Excellent Trading Business
- Ministry of Health and Welfare "Healthy Workplace Certification - Promotion Label"

2024

- Award for The 9th National Environmental Education Award of the Excellence Award
- Award for Affairs 113 Industrial Park Greening and Beautification-Second Place
- Pingtung Excellence Enterprise Award - Investment Model Award
- Sports Administration, Ministry of Education - Sports Enterprise Certification
- Taiwan Electrical and Electronic Manufacturers' Association - Digital Transformation Model Award
- Top 100 Carbon materials competitiveness on Business Weekly

2025

- TCSA Taiwan Corporate Sustainability Awards: Silver Award
- Top 100 Carbon materials competitiveness on Business Weekly
- Outstanding Member Award: Kaohsiung Chamber Of Industry

Development Strategy

04

Development of Anode Materials

- **High-Power Applications –** Increasing Market Penetration.

BBU

Drone

Electric Racing Cars / Heavy Machinery

Electric Power Tools

- **Semi-Solid State Batteries** - Customer production lines have been established and are preparing for mass production.

- **North American Market Opportunities** - Formulating marketing strategies with North American partners. Initially focusing on the de-sinicization of the defense industry, with joint development of synthetic graphite to follow.

Development of Silicon-Carbon Anode Materials

- **UF Series New Fast-Charging Graphite**

  Applied in high-ratio silicon-carbon additive formulas; has successfully entered the supply chain for flagship high-end smartphones. Targeting expansion into high-end smartphones, wearable devices, drones, and power tools.

- **Porous Carbon**

  Collaborating with domestic manufacturers to develop silicon-carbon anode materials and establish a **domestic supply chain.**

- **Anode Materials for Lithium-Ion Capacitors (LIC)**

  Coordinating with customers' development timelines; continuously providing samples for characteristic validation.

Advanced Carbon Materials (ACS) Product Development

Raw Materials → Activation → Cleaning/ Drying → Surface Treatment → ACS

Features of ACS

- ✔ High Surface Area
- ✔ High Capacitance
- ✔ Good chemical properties and thermal stability
- ✔ Low functional group

- ACS annual production capacity is 90MT/year.

Applications of ACS

Steady Supply

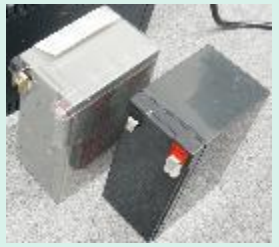
Supercapacitor Applications

- High-Power Discharge Applications
- 3.0V High-Voltage Supercapacitor

⇨ Rail Vehicles, Wind Power, Smart Grid

Advanced Lead-Acid Battery

- Enhanced Conductivity and Extended Lifespan
- High-Rate Discharge



⇨ Automotive Start-Stop Battery, UPS Uninterruptible Power Supply System

Client Validation

Lithium-Ion Capacitor

- High-Power Discharge Applications
- Long Cycle Life Characteristics

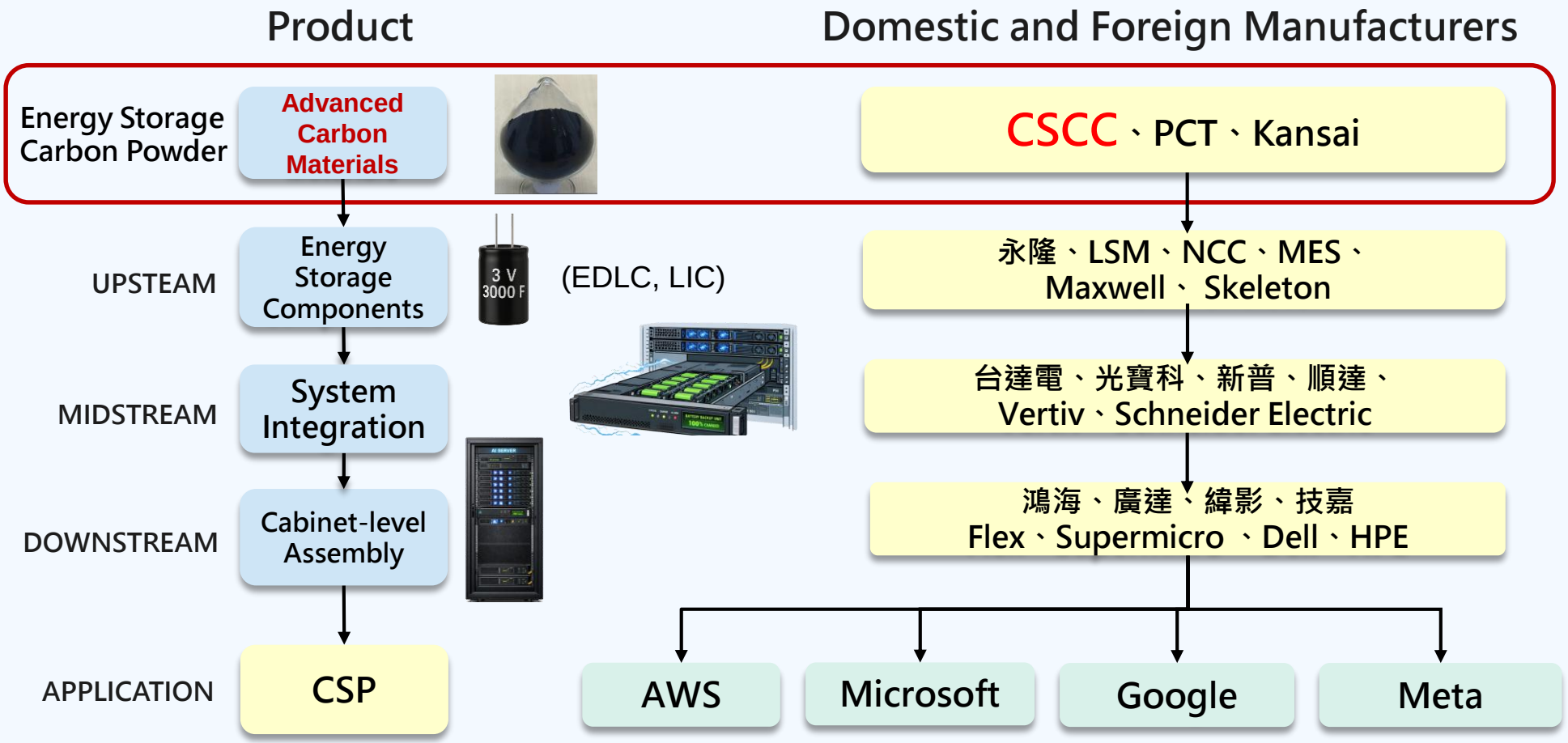
⇨ Data Center Power Backup System

Capacitive Deionization

- High Surface Area Adsorption
- High Conductivity

⇨ Industrial Ultrapure Water、Water Purifier

Opportunities in the AI Server BBU Supply Chain



- Advanced carbon materials of CSCC offer high capacitance and superior stability, making them ideal for high-voltage supercapacitors and lithium-ion capacitors used in the AI server BBU supply chain.

Opportunities for Advanced Carbon Materials Development - Battery Backup Unit for AI Servers (BBU)

Progress of CSCC Products Applied in AI Server Backup Power Systems (BBU)

1. **LIB (Li-ion battery)**：Taiwanese clients have implemented our product for application.
2. **EDLC (Supercapacitor)**：
   - ◆Korean customer is steadily taking deliveries. The new product is expected to complete validation before the end of the year, and shipments are projected to increase next year.
   - ◆Japanese customer is currently validating the product, and the feedback has been positive. We expect the new product to be adopted in 2027.
3. **LIC (Lithium-Ion Capacitor)**：
   - ◆ Japanese customer is currently undergoing validation (including both cathode and anode). Their new production line is expected to start operation in mid-2026.

Advantages of CSCC Advanced Carbon Materials：

1.**High Capacity**

2.**De-Sinicization** creates opportunities to expand market share.

3. Actively developing **porous carbon anode materials.**

→CSCC Board of Directors approved the **500-ton advanced carbon materials factory expansion project** in February 2025.

- ✓ Phase 1 is scheduled for completion in early 2027.
- ✓ Phase 2 is scheduled for completion by the end of 2030.

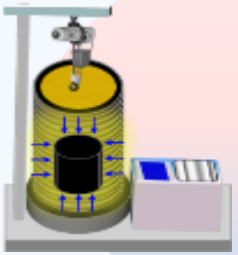
Graphite Block Development

High Purity | High Density | High Strength

- High Temperature Resistance
- Chemical Corrosion Resistance
- High Thermal Conductivity
- High Purity and High Density
- Fine Grain Structure
- Dense Structure and Uniform Texture

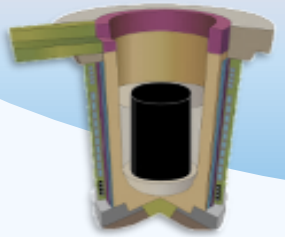
BCP

Mixing



CIP

Carbonization

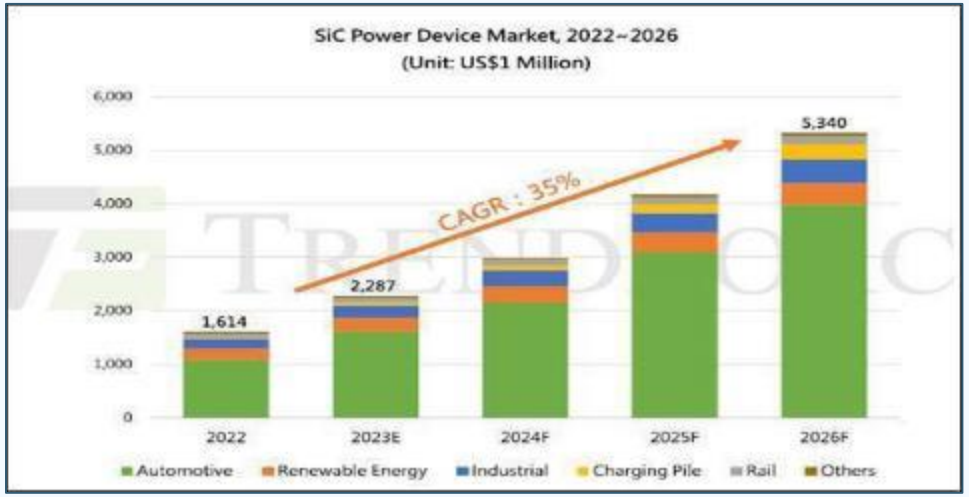


Graphitization

Purification

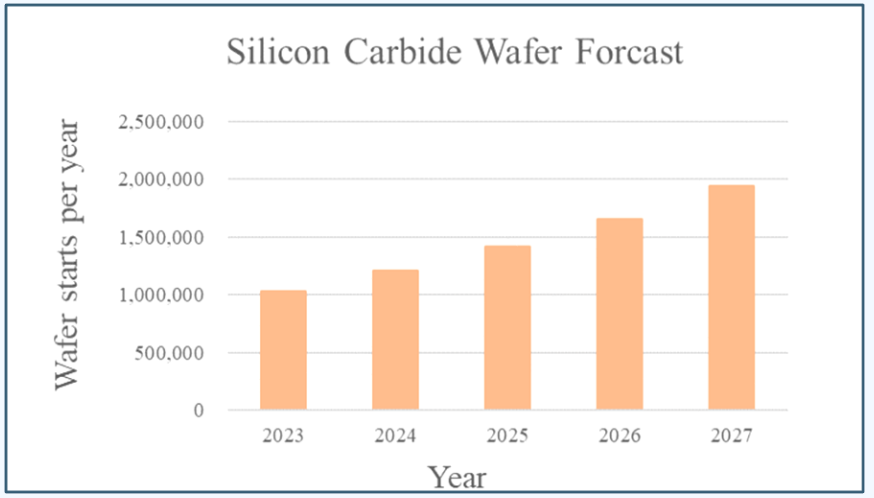
SiC Semiconductor Market

- The application market for SiC compound semiconductors is experiencing rapid growth, driven by **global green energy initiatives, Electric Vehicles (EVs), and the future adoption of High-Voltage Direct Current (HVDC) for AI servers**, leading to swift expansion in the SiC component market.
- The global SiC power device market size reached $2.287 billion in 2023. This market size is projected to grow to **$5.34 billion** by 2026, achieving a **CAGR of 35%.**。
- The SiC wafer market is estimated to reach a **production capacity of 1.938 million wafers** by 2027.



Global SiC Power Device Market Value Forecast(2023-2026)

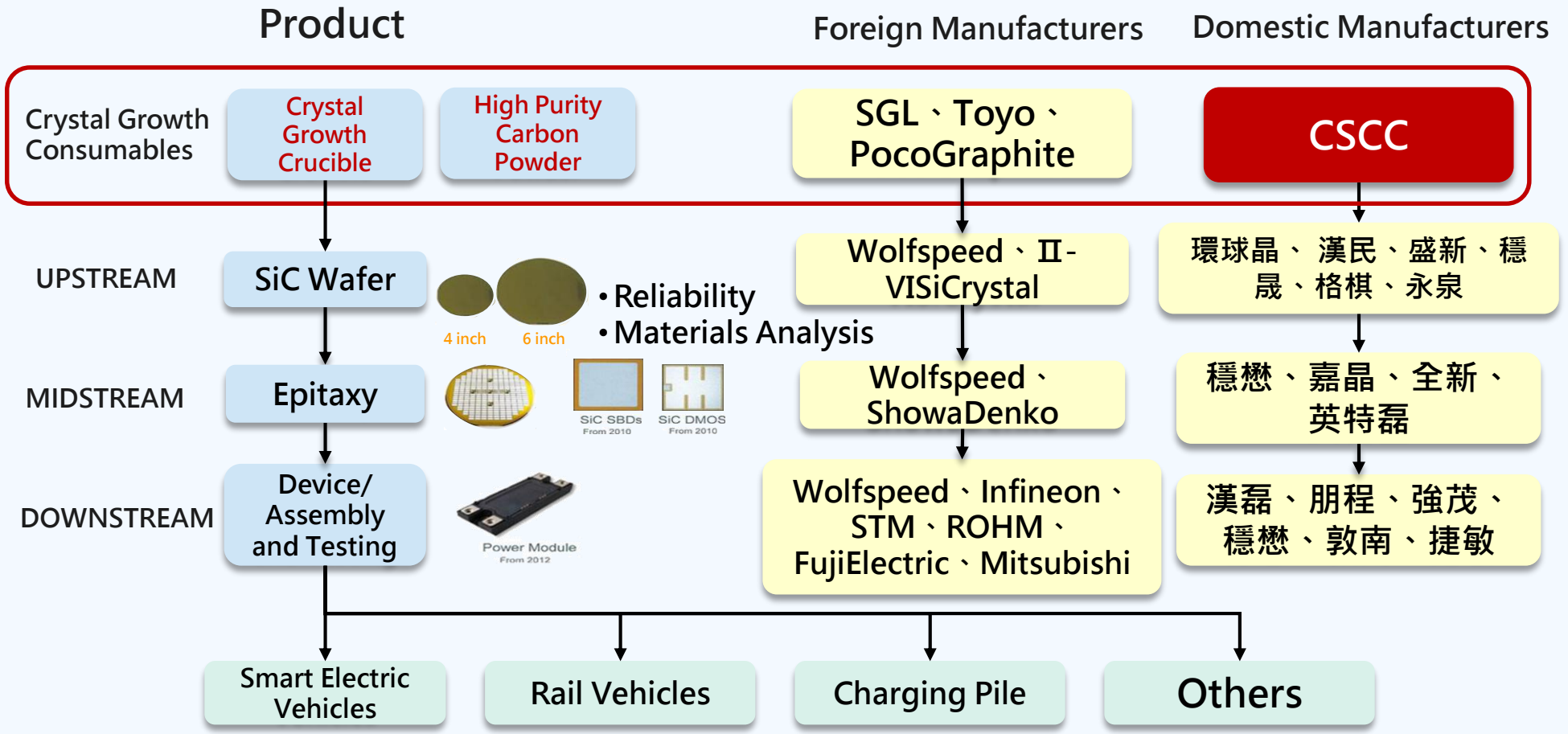
Source：TrendForce,2023/03



Global SiC Wafer Production Volume and Forecast: 2022–2027

Source：SemiconductorDigest,NewsandIndustryTrends,ShannonDavis,May8,2023

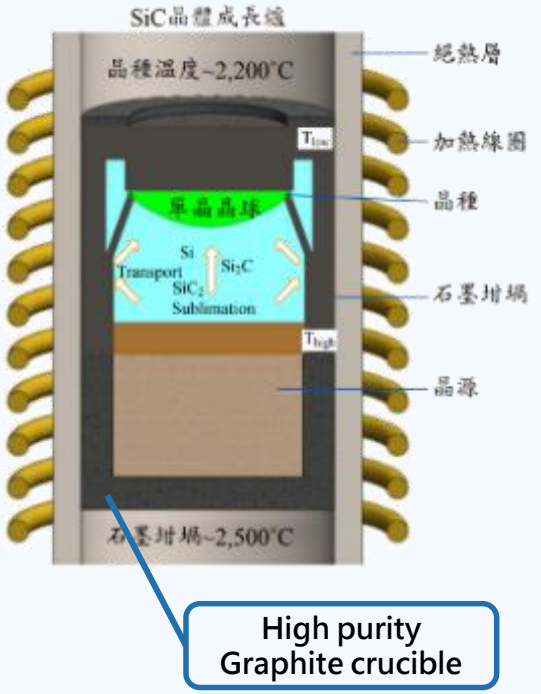
Opportunities in the SiC Semiconductor Supply Chain



- Although Taiwan possesses a compound semiconductor industry chain, **key materials like high-purity graphite for SiC crystal growth are still heavily reliant on foreign imports**, which can easily create a supply chain **vulnerability or gap**.

Graphite Block Applications and Development

- Graphite Block are primarily used for **Silicon Carbide (SiC) crystal growth crucibles** and **industrial hot zone components**.
- Progress of CSCC Product Promotion
  - ✓ **Silicon Carbide (SiC) Semiconductor**：
    Clients using the 6-inch crucible have successfully completed crystal growth and are currently conducting multiple runs of crystal growth for validation. The 8-inch crucible is currently undergoing validation with multiple clients.
  - ✓ **Silicon-Based Semiconductor**：
    Validation is continuously underway with multiple clients, and there is an opportunity to transition to an Approved Vendor List (AVL) supplier by the middle of 2026.
  - ✓ **Industrial Hot Zone**：
    Due to the impact of China's export controls, clients are strengthening cooperation with CSCC, with the goal of transitioning CSCC into a long-term supplier next year.



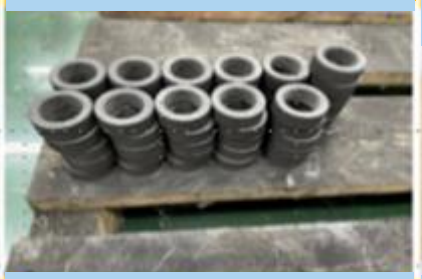
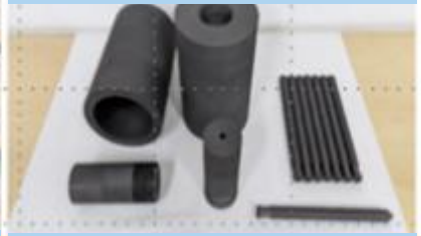
Advantages of CSCC Isotropic Graphite Blocks: **High Strength, High Density, and High Purity** Characteristics

1. The product is performing well in validation at several customers and meets the manufacturer's supply standards.
2. As China has designated graphite products as items subject to export controls, clients are proactively integrating local supply chains.

→CSCC Board of Directors approved **the 240-ton isotropic graphite block factory expansion project** in February 2025.

✓ Expected to be completed in early 2027

Application of Graphite Block

Connection board	Nut	Continuous casting tools	3D-Glass mold
			
Support shaft	**Continuous casting mold**	**Heater**	**Graphite Electrode**
			

Industrial hot zone components

Semiconductor components	SiC crystal growth crucible	SiC crystal growth crucible	High purity carbon powder
			

Silicon carbide compound semiconductor

Operational Implications of the US-Iran Conflict

- **Upstream Supply Chain**

  Our key raw materials, including coal tar and light oil, are sourced from integrated steel mills, ensuring a stable supply with no risk of shortages or disruptions.

- **Downstream Market Demand**

  1. The company has no direct sales exposure to the Middle East; all current customers are maintaining regular procurement schedules without disruption.
  2. Driven by surging crude oil prices, market prices for coal chemical products—including creosote oil and benzene—have followed an upward trend, presenting a positive impact on the company's revenue outlook.
  3. Part of the raw materials required by downstream benzene customers is supplied by CPC Corporation; supply remains stable and is confirmed through late April.

- **Operational Continuity**

  1. Rising prices of natural gas and hydrogen—driven by geopolitical instability—may exert upward pressure on overall manufacturing costs.
  2. In the event of domestic natural gas supply disruptions, the facility is equipped to switch to Coke Oven Gas from CSC as an alternative fuel, ensuring uninterrupted production.

Creating a sustainable and friendly environment, and precision manufacturing in green energy.
To become a key carbon material supplier for the green energy industry.



Customer Satisfaction、Sincerity、Credibility、Cooperation

中鋼碳素
CHINA STEEL CHEMICAL

Q&A

Thank you