



CHINA STEEL CHEMICAL CORPORATION

Investor Conference
August 2026



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- 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.
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| Agenda

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strategy





Company Profile

01



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CHINA STEEL CHEMICAL

CHINA STEEL CHEMICAL CORPORATION

Stock
Symbol

1723

Year of
Establishment

1989

Capital

2.369 Billion

The only coal
chemical plant in
Taiwan.

The only professional
graphitization plant
in Taiwan.

Number of Employees : 331

PhD-8 、 Master-96 ; Male-86% 、 Female-14%

Manufacture Base

Coal Chemical Plant : Kaohsiung Linhai Industrial Park

Carbon Material Plant : Pingnan Industrial Park

Major Shareholders

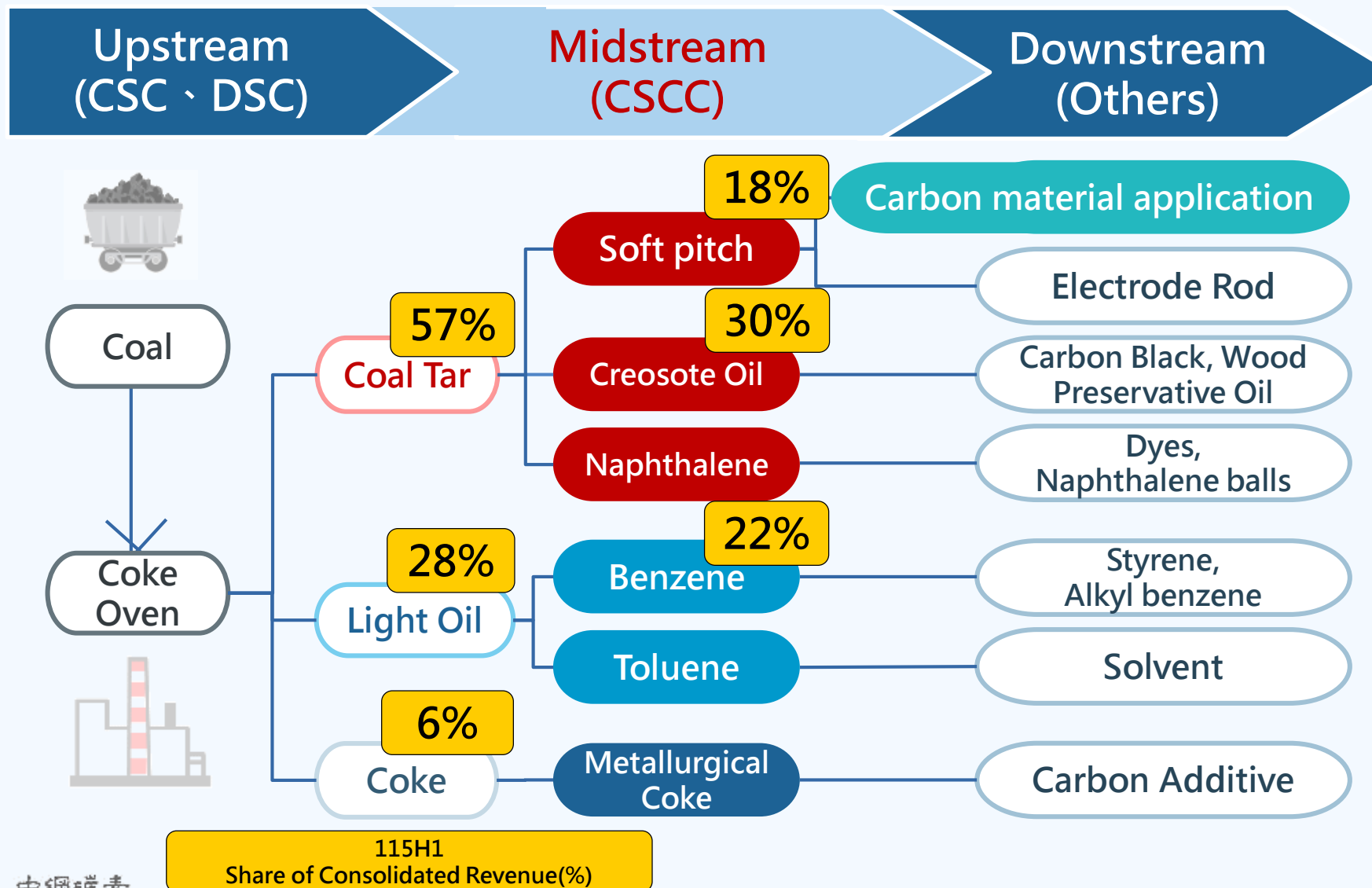
	Name of Major Shareholders	Shareholding Ratio
1	China Steel Corporation	29.04%
2	International CSRC Investment Holdings Co., Ltd.	4.96%
3	Ever Wealthy International Co., Ltd.	2.01%
4	Kao Hsing Chang Iron & Steel Corp.	1.67%
5	Chichengte Investment Co., Ltd.	1.46%
6	Employee' s Stock Ownership Trust of CSCC under the custody of Mega International Commercial Bank Co., Ltd.	1.10%
7	Hsinyang Investment Co., Ltd.	0.99%
8	Chang Gung Medical Foundation	0.93%
9	Yen Hui-Ping	0.89%
10	Vanguard Total International Stock Index Fund Investment Account	0.77%

The data cutoff date for : 2026/7/15

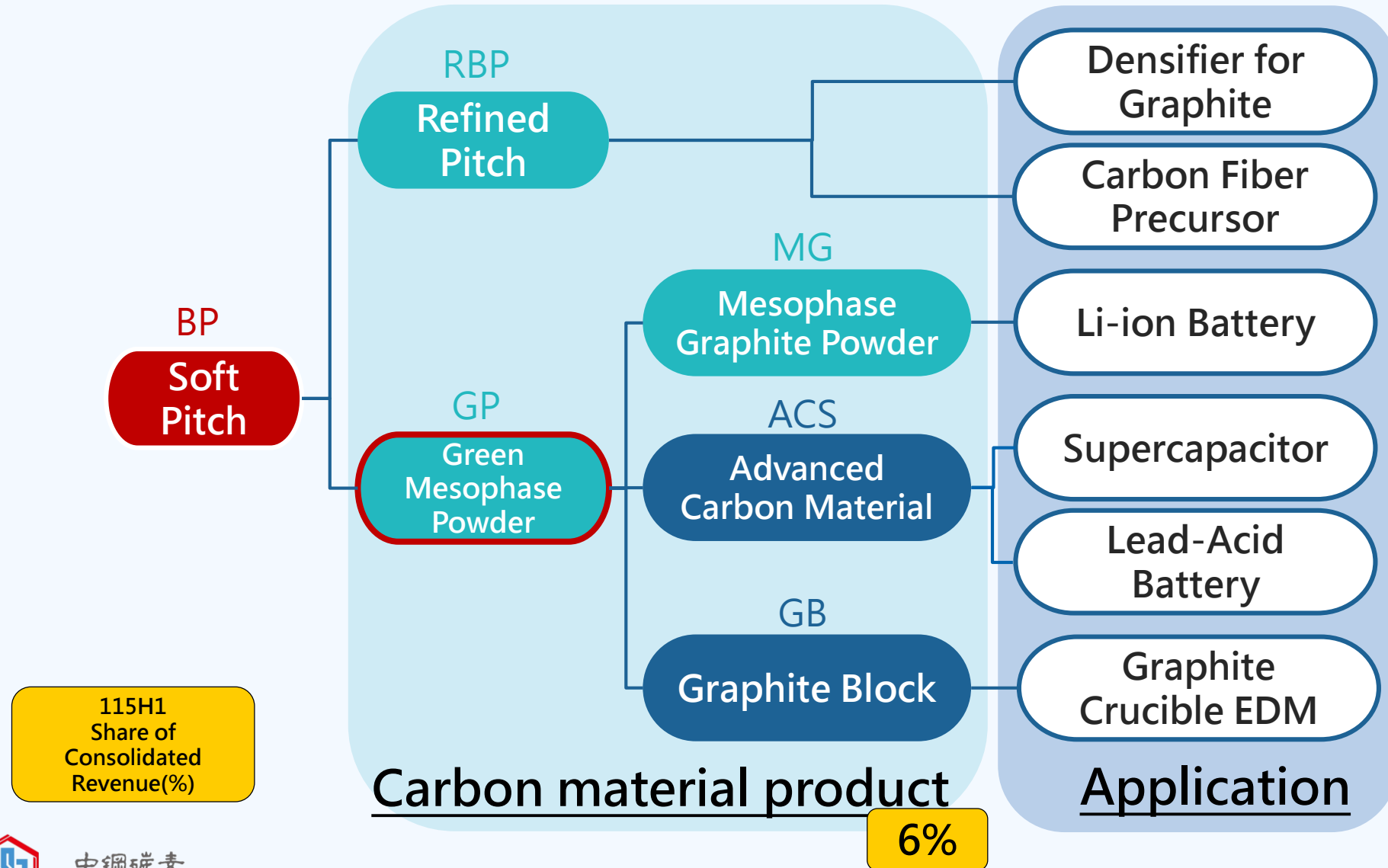
43.82%



The Relating Product Map of Coal Chemical Industries

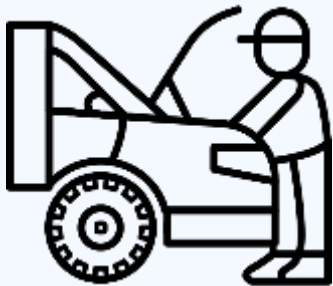


Applications of Carbon Material Product



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



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Operating Performance

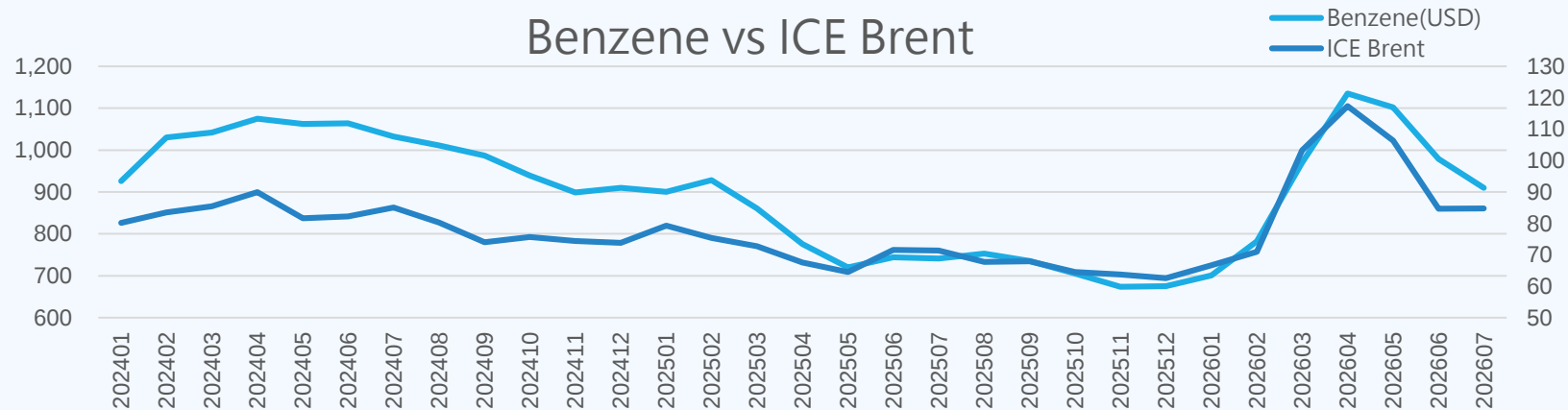
02



Recent Market Dynamics

■ Benzene and Oil Prices

- Driven by the U.S.–Iran conflict, prices surged rapidly in early March before reversing downwards in early June following a agreed 60-day ceasefire. However, recent setbacks in negotiations and restrictions in the Strait of Hormuz have provided support, limiting further decline in oil prices.
- Downstream petrochemical markets continue to face operational pressure due to spillover effects from overcapacity in China.



- **TSMC Plant Shutdown**-Taiwan Styrene Monomer Corporation(TSMC) announced that its Styrene (SM) plant is scheduled to cease production on October 1st. In 2025, CSCC shipments to TSMC accounted for 37% of total benzene sales volume (8.6% of standalone revenue). Despite the shutdown, a supply deficit remains in Taiwan requiring imports; thus, inventory digestion/sales allocation is assessed to remain manageable.



Recent Market Trends

■ Carbon Materials

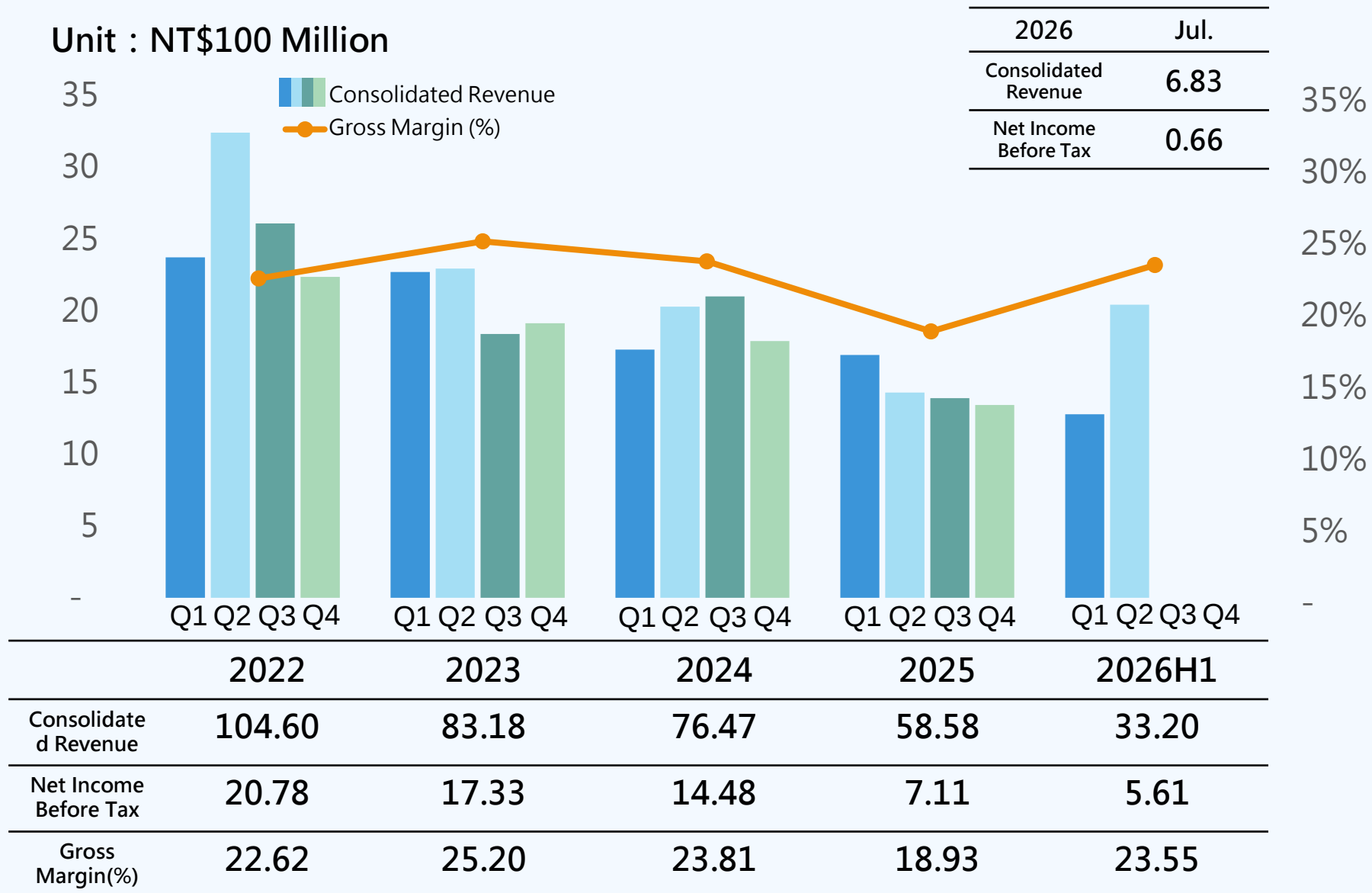
- Spillover from China's overcapacity in lithium-battery anode materials continues, while non-China supply chains are still in the development and qualification stage, leading to persistent market sluggishness.

Currently evaluating options to increase toll manufacturing (OEM) for anode graphitization and expand toll production for isotropic graphite blocks.

- Driven by business opportunities in AI server BBUs (Battery Backup Units) and SiC (Silicon Carbide) semiconductors, CSCC advanced carbon materials and isotropic graphite blocks are undergoing continuous qualification and testing.

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

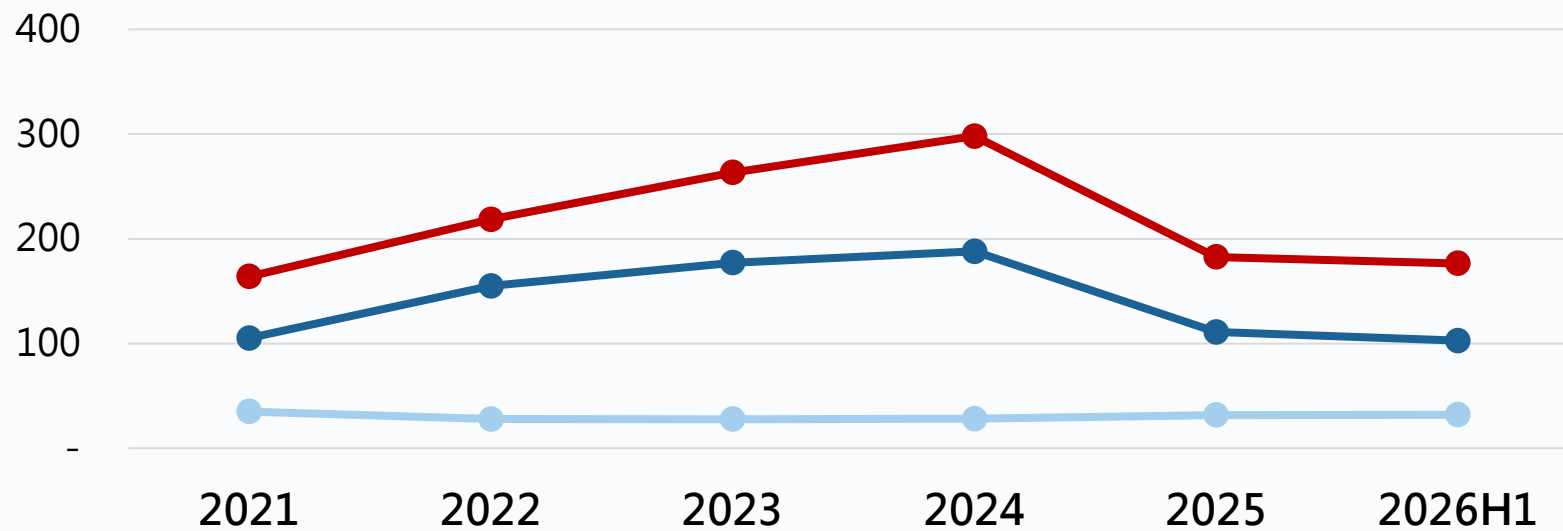
Unit : NT\$100 Million



Major Financial Indicator

Unit : %

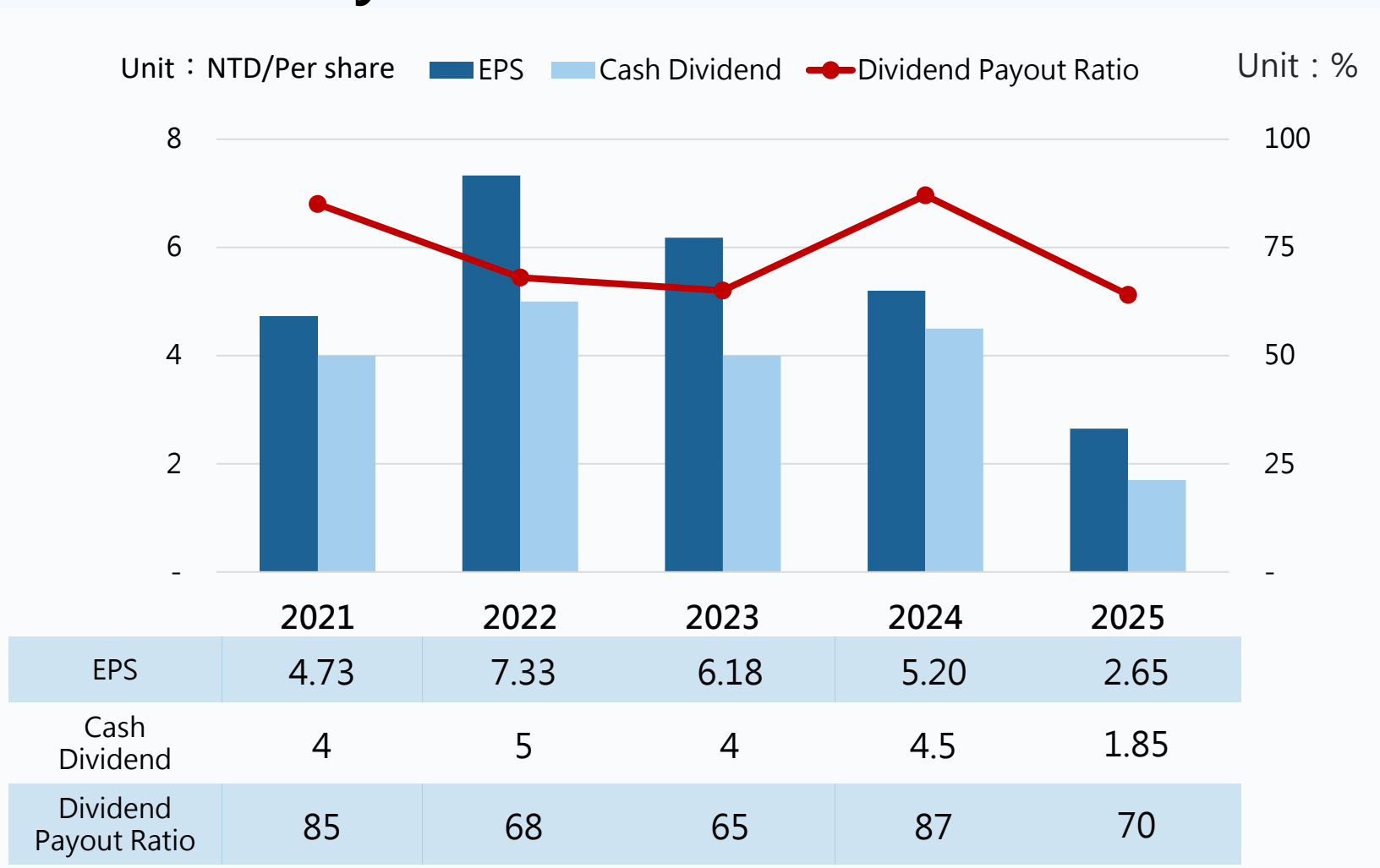
● Current ratio ● Quick ratio ● Debt ratio



Current ratio	164.1	218.7	263.3	298.1	182.7	176.6
Quick ratio	105.3	155.1	177.3	188.1	111.1	102.8
Debt ratio	35.1	28.0	27.8	28.3	31.7	32.1



Dividend Policy



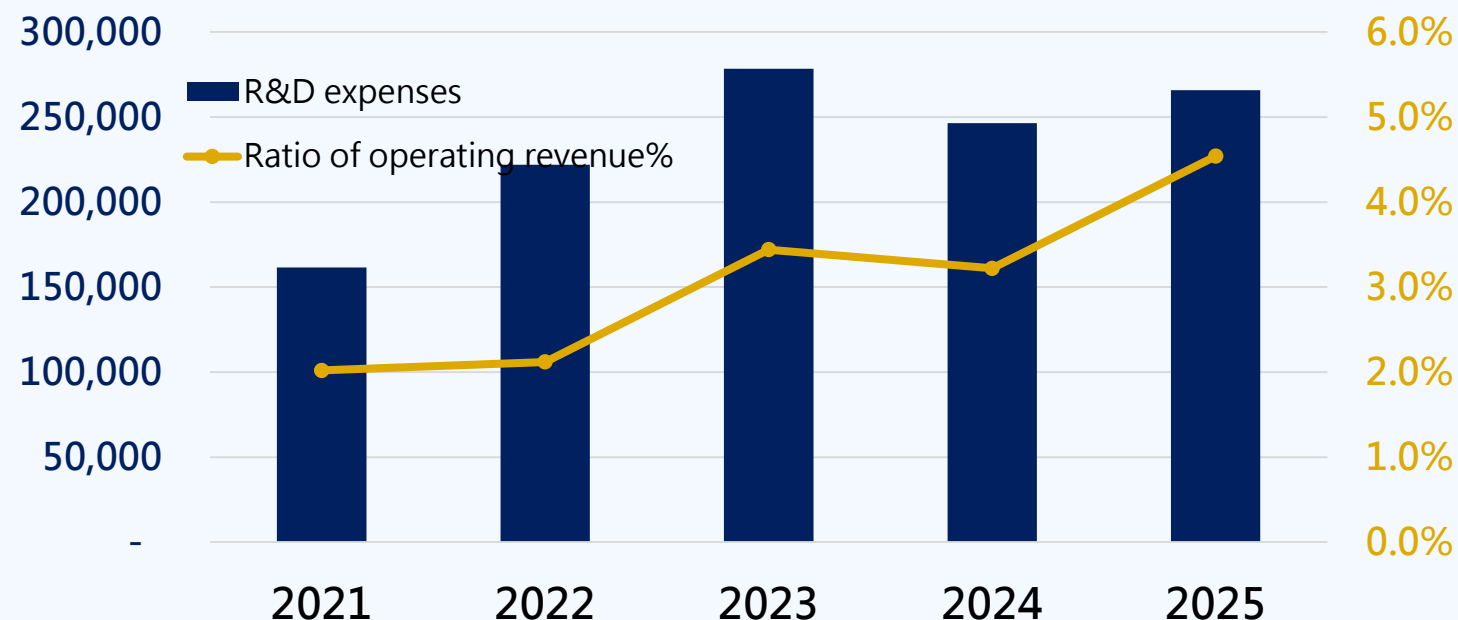
✓ CSCC has been profitable for 30 consecutive years. The total amount of distributed dividends (including stock dividends) **is above NT\$134.**



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 anode materials for electric bus batteries.	Completed
II-The development of high-purity carbon powder and isotropic graphite for use in compound semiconductors.	Completed
III-Resilient Supply Chain Plan for Artificial Graphite Anodes for Lithium-Ion Batteries.	Application in progress
IV-Development and Validation of Key Nanoporous Materials for Net-Zero Carbon Electrochemical Water Treatment Technology.	Application in progress



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Sustainable Operation

03



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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(2025), and for fix 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.)



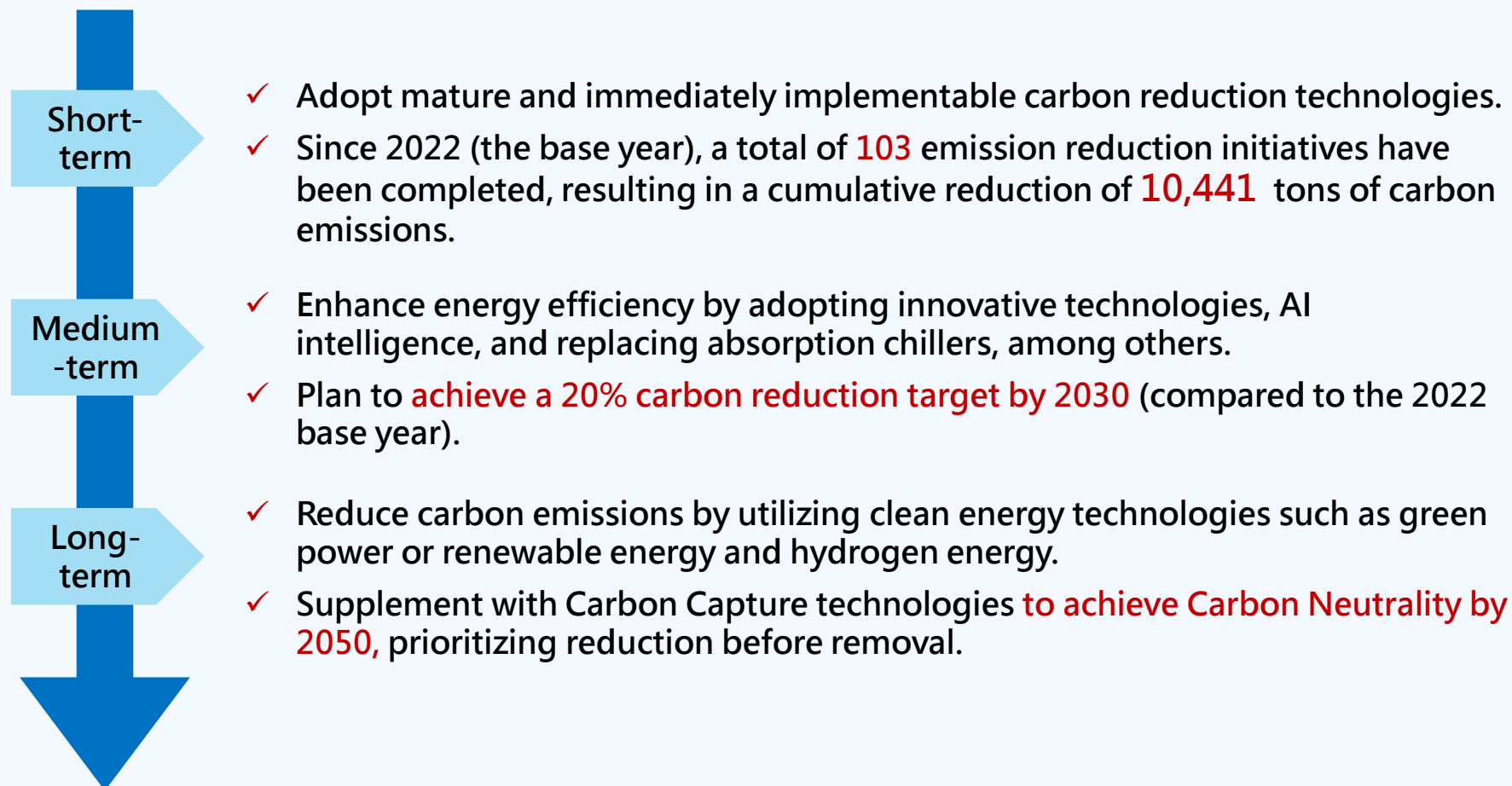
Sustainable Development

-  Referencing the Ministry of the Environment 's "Fee Rate Standards for Carbon Fees" and "Regulations Governing Voluntary Reduction Plan Management." , **formulated an internal carbon pricing mechanism** (NTD 100/tonne CO₂e).
-  **Formulated biodiversity policy and commitments**, assessing the ecological impact of operational and production activities, strengthening education and training, and taking improvement measures when necessary.
-  Planted new forests within the Pingnan Plant and **applied for the "CSCC Afforestation Carbon Sink Voluntary Reduction Project,"** which is expected to remove 129 tonnes of CO₂e equivalent over the project's 30-year period.
-  **Linked senior executives' compensation to ESG-related performance evaluations.**

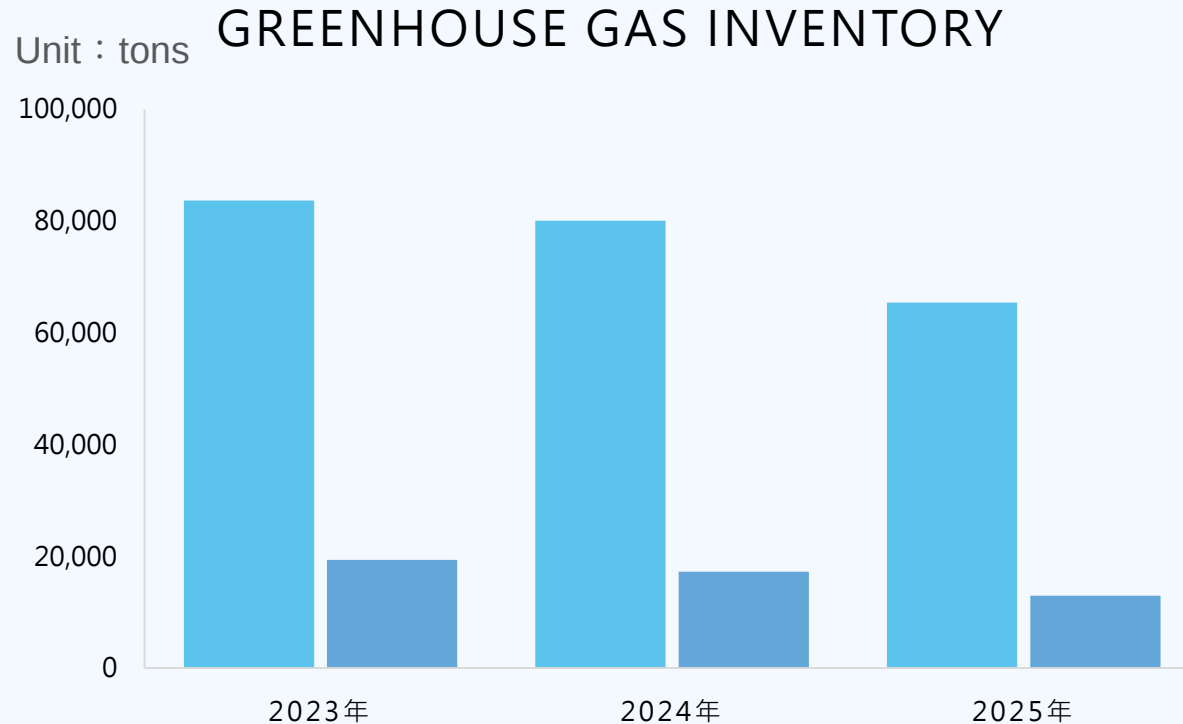


Carbon neutrality by 2050

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.



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 **carbon fee for 2025 is NT\$751,000**.

Plant of Pingnan

- Pingnan Plant is still undergoing expansion, with production capacity continuing to increase, leading to expectations of rising 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

2023

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

2021-2026



Awarded TIPS level
a patent and
certification

2023-2026



Awarded Certification
of information
security ISO 27001

2024

- Award for The 9th National Environmental Education Award of the Excellence Award
- Award for Affairs 2024 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

2026

- "Friendly Pingtung Award" Outstanding corporation
- Award for Pingtung Safety and health family.



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Development Strategy

04



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CSCC R&D Building

- Officially opened on 2026/07/29, the CSCC Pingnan Plant has officially become a carbon material development base where "**production and R&D advance on dual tracks.**"
- Focusing on three core directions:
 1. **Lithium-ion battery anode materials** - Commit to graphite materials to meet the high requirements of electric vehicles and energy storage systems.
 2. **Advanced carbon materials** - Focusing on green energy storage and BBU systems for AI servers.
 3. **Isotropic graphite** - Expanding high-purity graphite for semiconductors, breaking foreign monopolies.



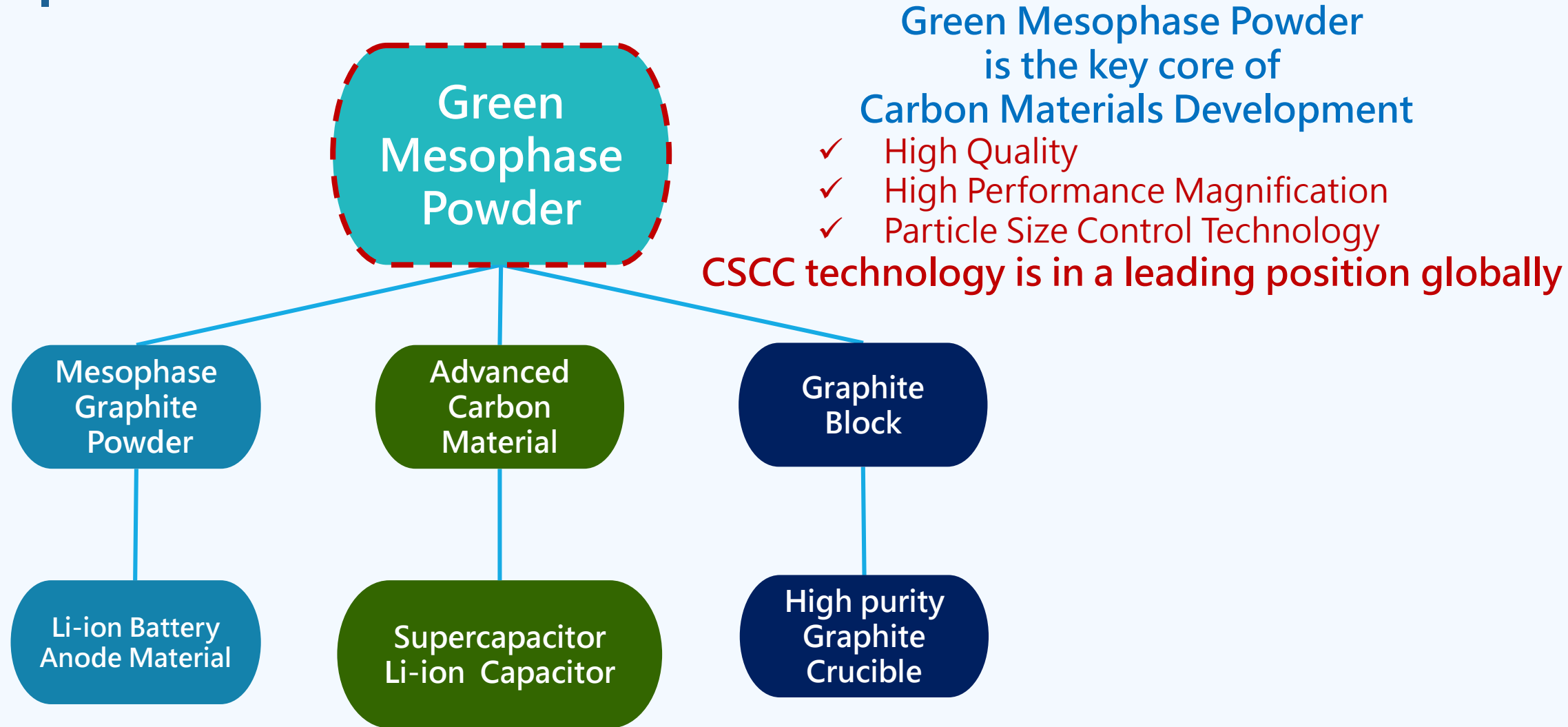
CSCC Chairman Huang Chien-chih, Pingtung County Magistrate Chou Chun-mi, and other guests jointly cut the ribbon for the opening of the CSCC R&D Building.

The R&D Building is located in the CSCC Pingnan Plant area and officially opened on 2026/07/29.



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Future Development Focus – Carbon Materials

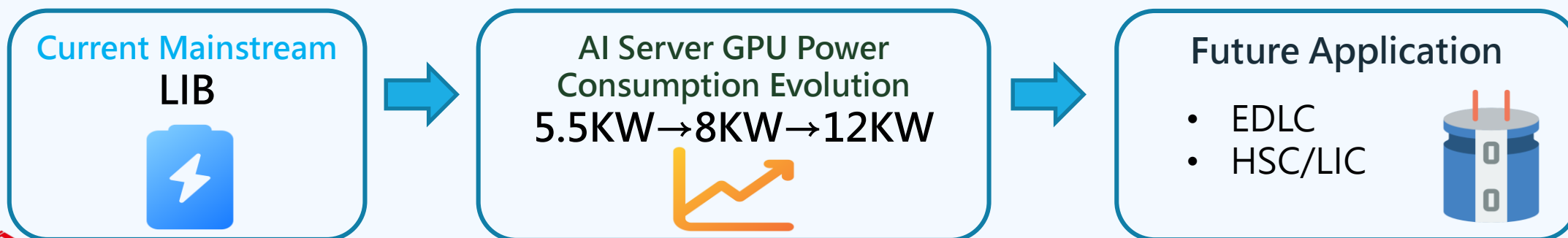


AI Server Supply Chain Opportunities - Battery Backup Unit (BBU)

Energy Storage Component Types and Their Roles/Functions in BBU

Energy Storage Component Type	Component Role/Function
LIB(Li-ion battery) (Long-term Backup)	Features higher electrical capacity to support system data storage and generator startup during power interruptions.
EDLC(Supercapacitor) (Instantaneous Buffer)	Features ultra-high power characteristics for peak shaving and load shifting , capable of releasing strong currents in milliseconds to bridge power gaps.
HSC(Hybrid Supercapacitor)/ LIC(Li-ion Capacitor) (Long-term Backup and Instantaneous Buffer)	Combines the high energy density of LIBs with the power density of EDLCs to handle sudden, unexpected peak loads.

Energy Storage Component and Power Development Trends in BBU



CSCC Strategic Layout in the BBU Supply Chain

Energy Storage Component Type	CSCC Corresponding Strategic Layout
LIB	The high-power anode materials have already been adopted by customers for BBUs. Furthermore, the company has developed capacitor-like, ultra-high-power battery cells, offering distinct advantages for BBUs with 800V architecture.
EDLC	The advanced carbon materials developed by CSCC precisely address BBU requirements for safety and stability under high-voltage and high-temperature environments. They are currently undergoing active qualification with leading benchmark customers in South Korea.
HSC / LIC	The construction of a new facility by a benchmark Japanese customer is scheduled for completion in 2027Q1. CSCC provides customized cathode and anode materials tailored for HSC/LIC applications , which are currently undergoing active qualification with the customer.

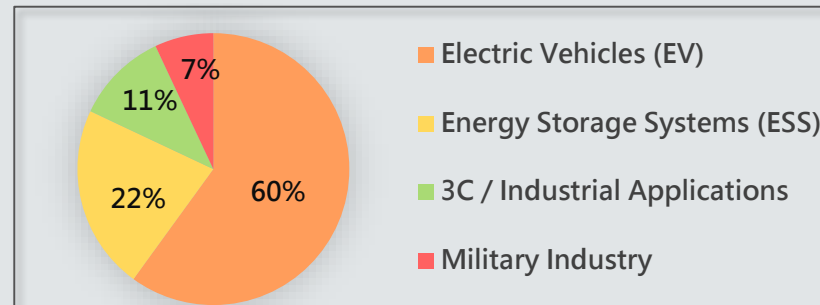


Anode Material Development



- **Expansion Opportunities in Non-China Supply Chains – North American Market**

- In 2024, the United States imported nearly 180,000 metric tons of graphite products, with approximately two-thirds coming from China.
- The U.S. Department of Commerce has addressed dumping practices regarding Chinese graphite products, resulting in a combined tariff cost of 50%–60%. This creates a significant tax margin opportunity compared to Taiwan's export tariff of 0%–15%.
- The U.S. battery cell market has begun tracing battery cell materials, and military-grade batteries are subject to "de-Chinafication" requirements.
- Other Projects: Battery cells for Japanese automakers, domestic EVs, drones, and other applications are undergoing testing and evaluation with our anode materials, driven by customer demands for non-Chinese supply chains.



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.



Development of Silicon-Carbon Anode Materials

Silicon-carbon anodes can significantly increase the capacity of lithium-ion batteries, representing a key development direction for high-end lithium batteries in recent years.

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

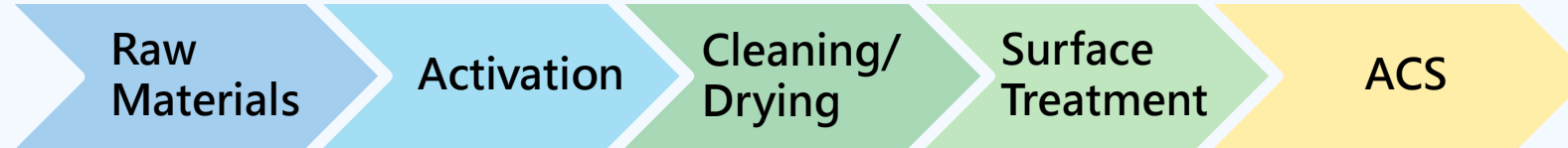
Applied in high-ratio silicon-carbon additive formulas; has successfully entered the supply chain for flagship high-end smartphones. Targeting expansion into high-end smartphones, wearable devices, drones, and power tools.

- **Porous Carbon**

Using mesocarbon microbeads, CSCC has independently developed porous carbon to serve as a carrier for silicon-carbon anode materials, which is currently undergoing testing and validation with several manufacturers.



Advanced Carbon Materials (ACS) Product Development



Features of ACS

- ✓ High Surface Area/High Capacitance
- ✓ Good chemical properties and thermal stability
- ✓ Low functional group
- ✓ De-Sinicization market demand
- ✓ Development of porous carbon anode materials

Product Applications

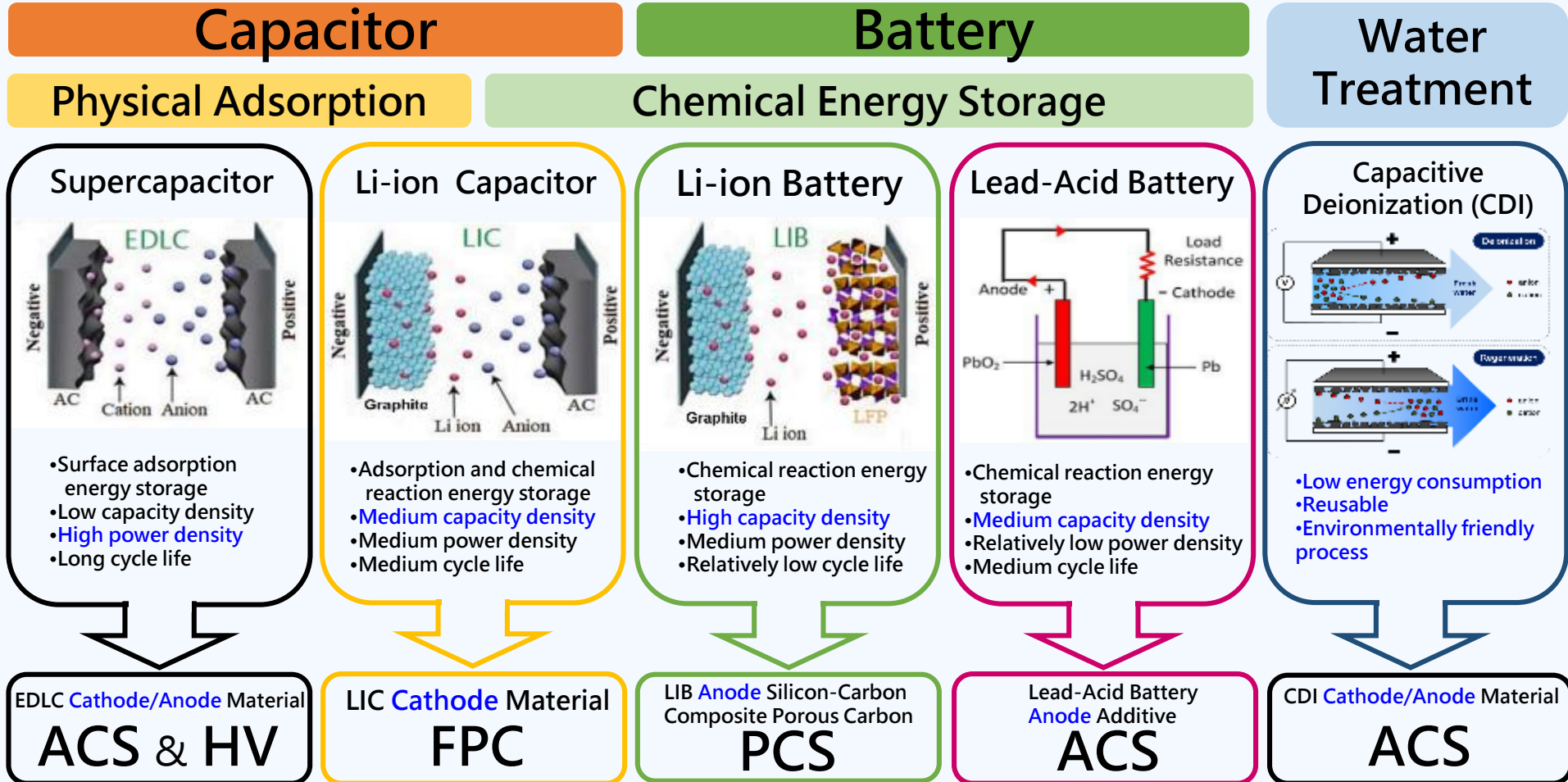
- ✓ Supercapacitor
- ✓ Advanced Lead-Acid Battery
- ✓ LIC(Li-ion Capacitor)
- ✓ Capacitive Deionization

- ACS annual production capacity is 90MT/year.

→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.

Advanced Carbon Materials (ACS)



Supercapacitors (EDLC) Future Market Size Forecast

- Supercapacitors (EDLC) featuring **ultra-high power density** and **achieve ultrafast charging/discharging** and a **long cycle life of up to millions cycles**. This creates a complementary synergy with lithium-ion batteries, effectively addressing their limitations in high-power output and operational lifespan.

Global Market Size Forecast

The supercapacitors market size was **USD 14.7 billion** in 2025 and is projected to reach **USD 16.95 billion** in 2026. It is expected to grow to **USD 70.38 billion** by 2036, representing a **CAGR of 15.3%**.



Product Applications

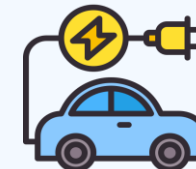
Renewable Energy Systems



Smart Grids



HEVs/EVs



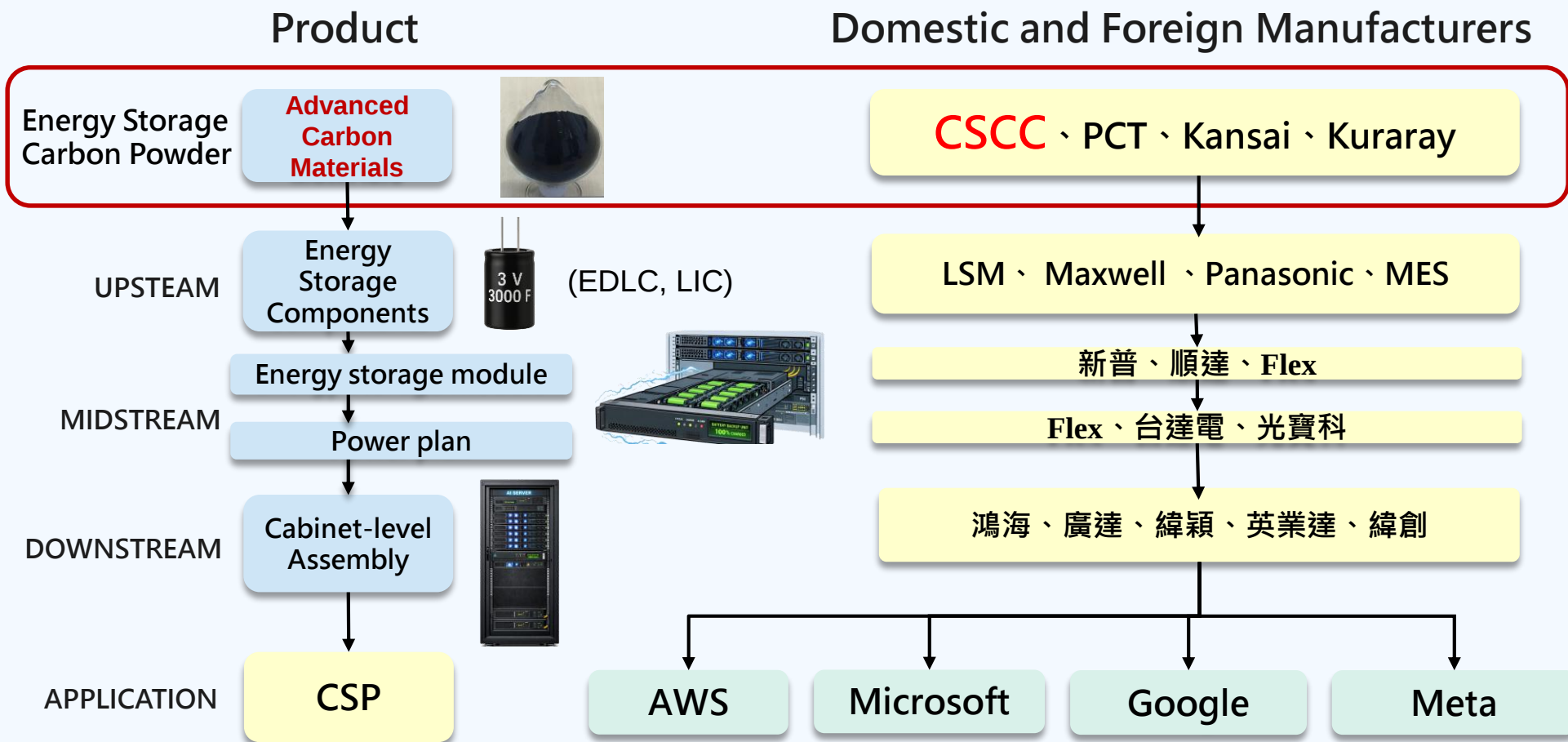
Industrial UPS Systems



EDLC applications are becoming increasingly widespread, with promising growth ahead.



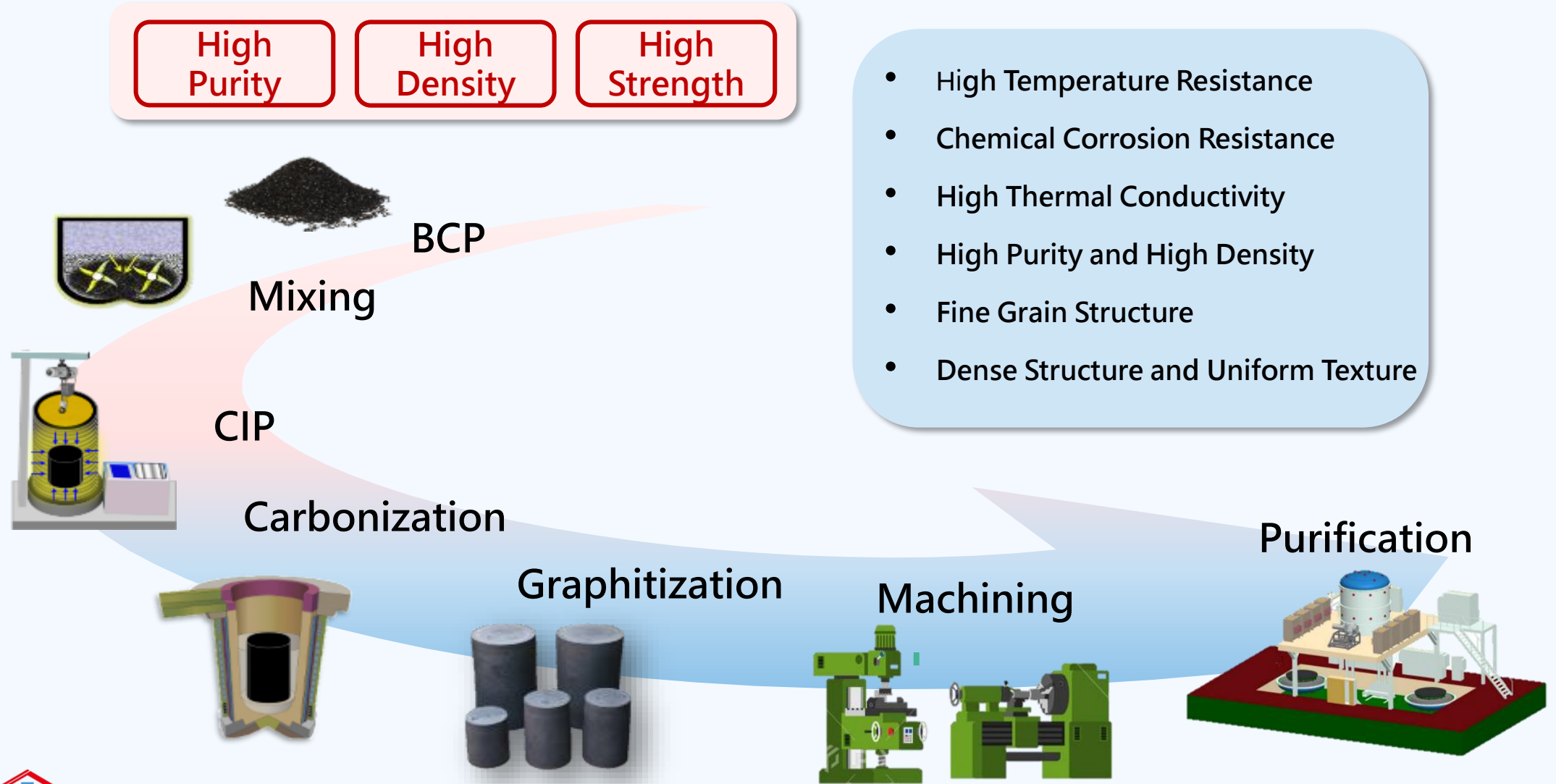
Opportunities in the AI Server BBU Supply Chain



- 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.



Graphite Block Development



Graphite Block Applications and Development

- Market Opportunities

China's export controls on graphite products, combined with the high costs and unstable lead times of German and Japanese suppliers, have driven domestic manufacturers to urgently establish localized supply chains.

- Progress of CSCC Product Promotion

- ✓ **Silicon Carbide (SiC) Semiconductor :**

- 8-inch crucibles are currently undergoing qualification with multiple customers; development of 12-inch crucibles is expected to be completed in 2H 2026.
- Collaborating with domestic manufacturers to introduce TDC coatings to enhance product durability/strength.

- ✓ **Industrial Hot Zone :**

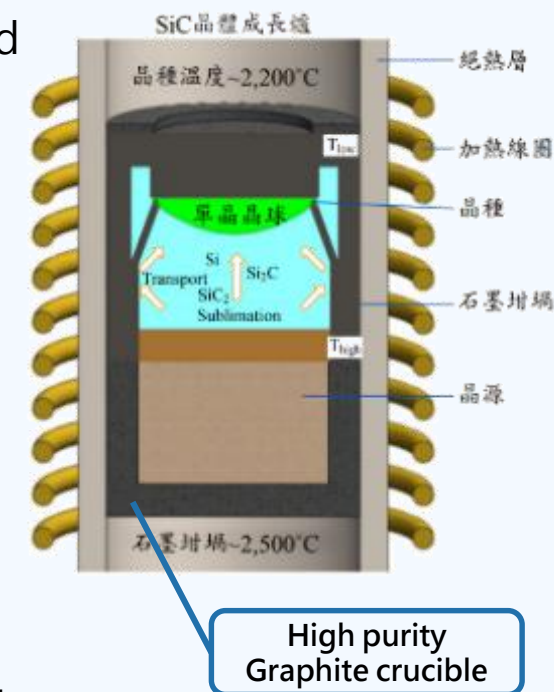
- Successfully qualified by the first customer, becoming an official supplier.

- ✓ **Other Industrial Applications :**

- Successfully entered the supply chains of major glass mold manufacturers and aluminum smelting customers, becoming an official supplier.
- Collaborating with customers to develop graphite impellers/stirrers for aluminum smelting.

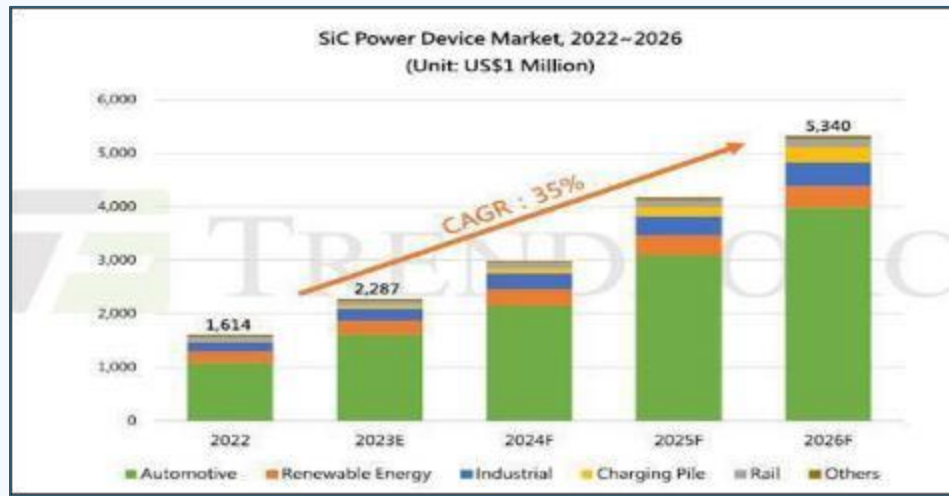
→ CSCC Board of Directors approved the 240-ton isotropic graphite block factory expansion project in February 2025.

✓ Expected to be completed in early 2027



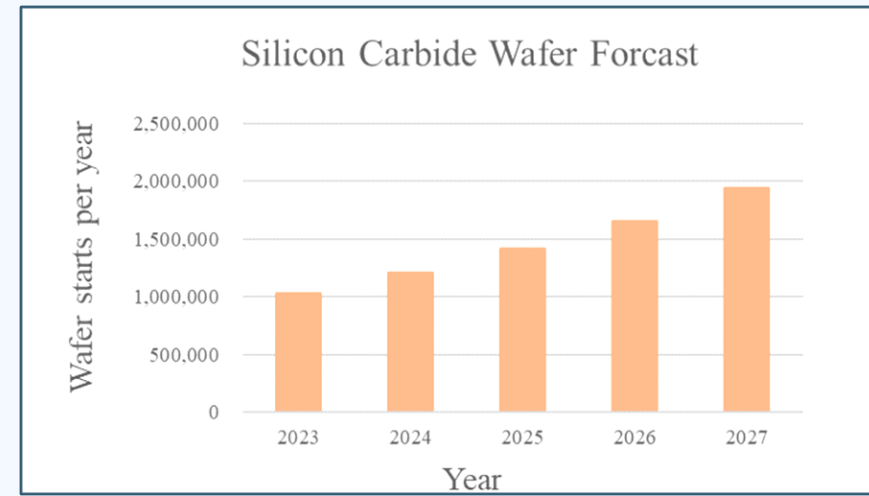
SiC Semiconductor Market

- 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

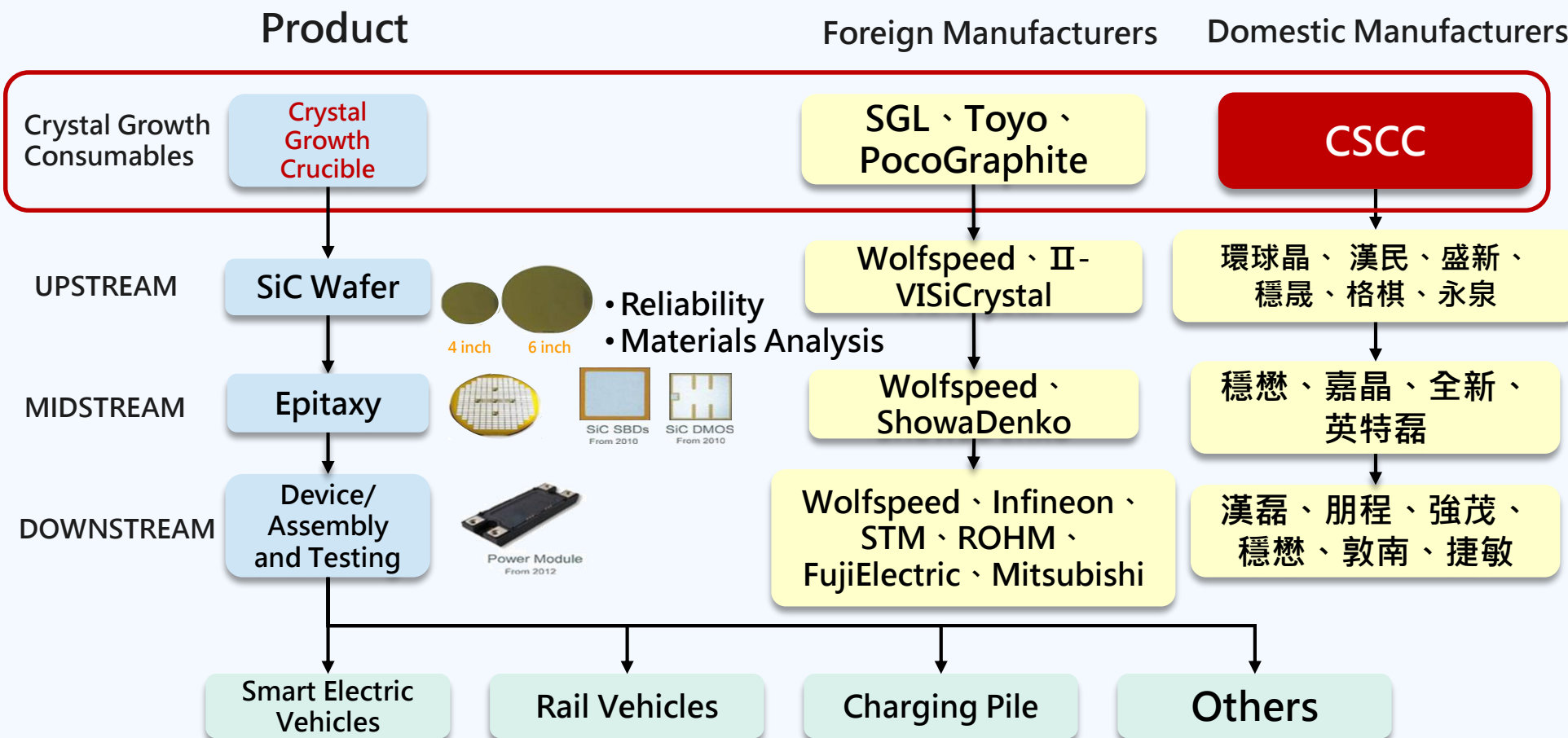


Global SiC Wafer Production Volume and Forecast: 2022–2027

Source : SemiconductorDigest,NewsandIndustryTrends,ShannonDavis,May8,2023

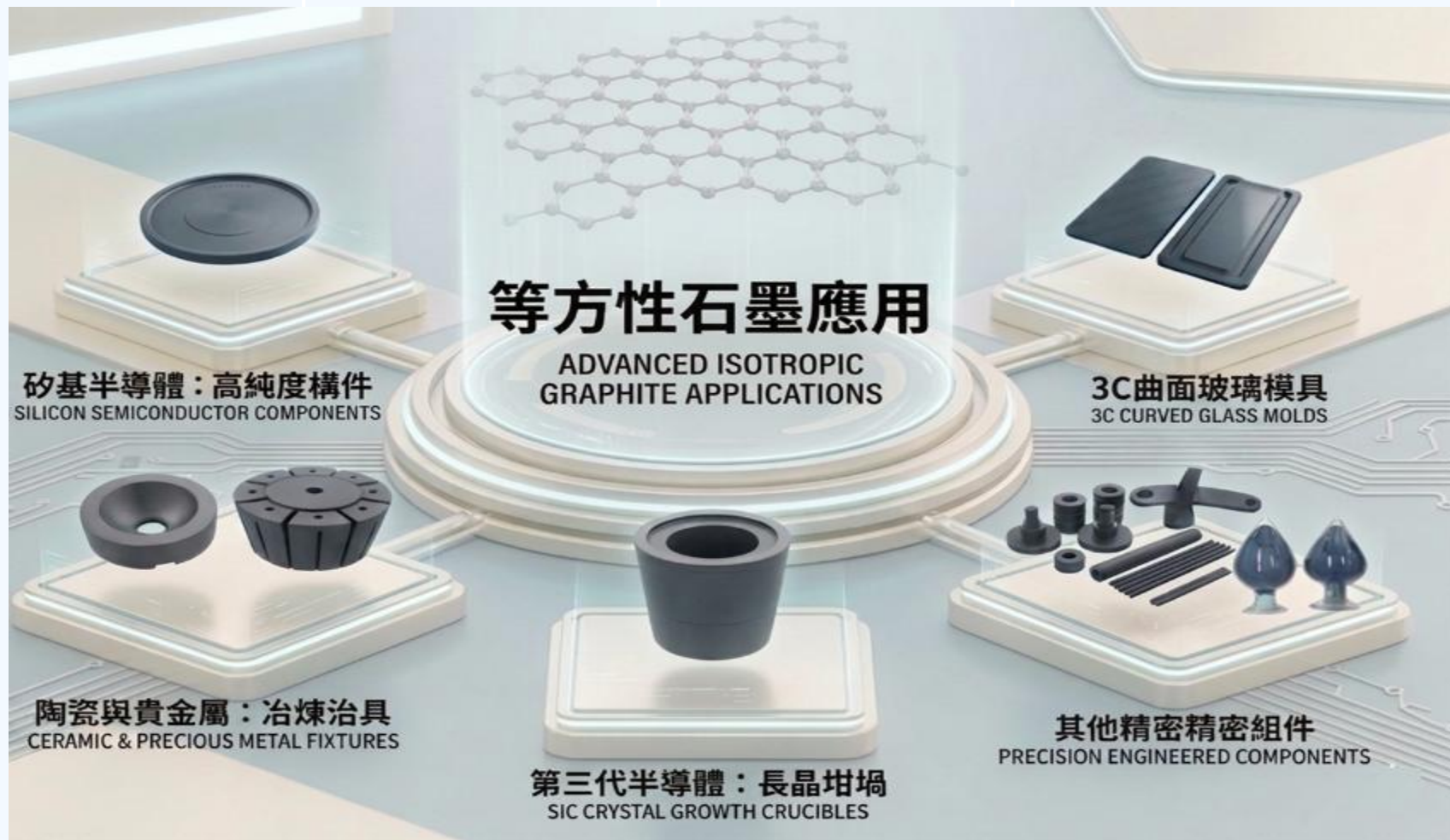


Opportunities in the SiC Semiconductor Supply Chain



- Although Taiwan has established a comprehensive SiC semiconductor supply chain, **high-purity graphite for SiC crystal growth—a critical material—still relies heavily on foreign imports**. CSCC's high-purity graphite crucibles will enable **import substitution and fill this supply gap in the industry**.

Application of Graphite Block





Q&A

T h a n k y o u

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

