CHINA STEEL CHEMICAL CORPORATION

Investor Conference

November 2024

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.
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Agenda

01 Company Profile

02 Operating Performance

03 Sustainable Development

04 Future Development

01

Company Profile

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Basic information

China Steel Chemical Co., Ltd. was established on 1989.

Capital
2.369 Billion

stock symbol
1723

The only coal chemical plant in Taiwan.

The first professional graphitization plant in Taiwan.

Number of Employees：338

PhD-8、Master-100；Male-87%、Female-13%

Manufacture Base

Coal Chemical Plant ：Kaohsiung Linhai Industrial Park

Carbon Material Plant ：Pingnan Industrial Park

Major shareholder

Major shareholder	Percentages
China Steel Corporation	29.04%
International CSRC Investment Holdings Co., Ltd.	4.96%
Fubon Life Insurance Co., Ltd.	3.93%
Ever Wealthy International Corp.	2.01%
Chichengte Investment Co., Ltd.	1.46%
KGI Life Insurance Co., Ltd.	1.10%
Hsinyang Investment Co., Ltd.	1.01%
Vanguard Total International Stock Index Fund Investment Account	0.96%
Chang Gung Medical Foundation	0.93%
Mega International Commercial Bank Trust Account - CSCC	0.84%

As of：July 15, 2024

46.24%

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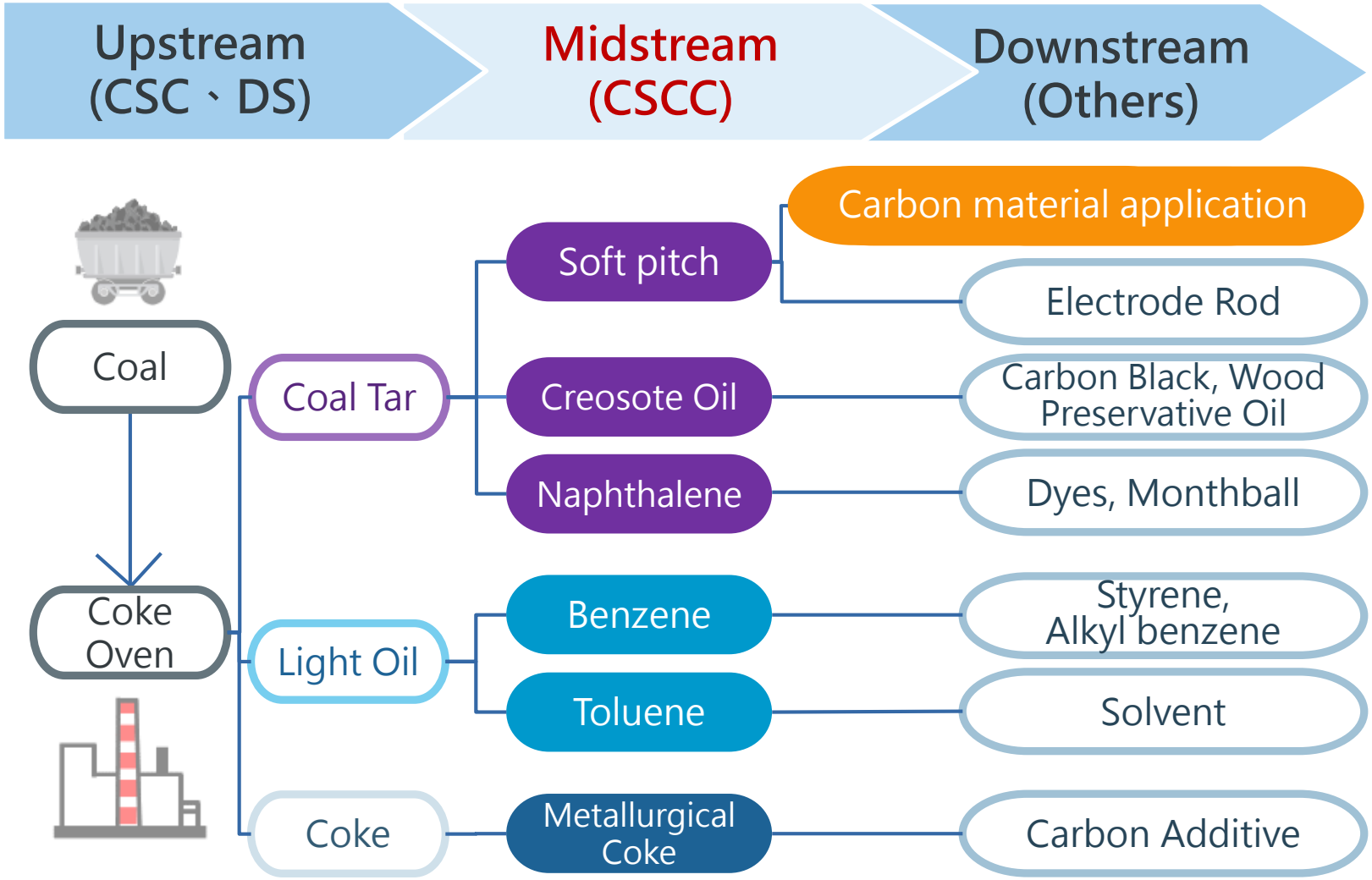
The Relating Product Map of Coal Chemical Industries



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Applications of Carbon material product

Soft Pitch

Refined Pitch

Green Mesophase Powder

Mesophase Graphite Powder

Advanced Carbon Material

Customer testing in progress

Graphite Block

Carbon material product

Densifier for Graphite

Carbon Fiber Precursor

Li-ion Battery

Supercapacitor

Lead-Acid Battery

Graphite Crucible EDM

Application

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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

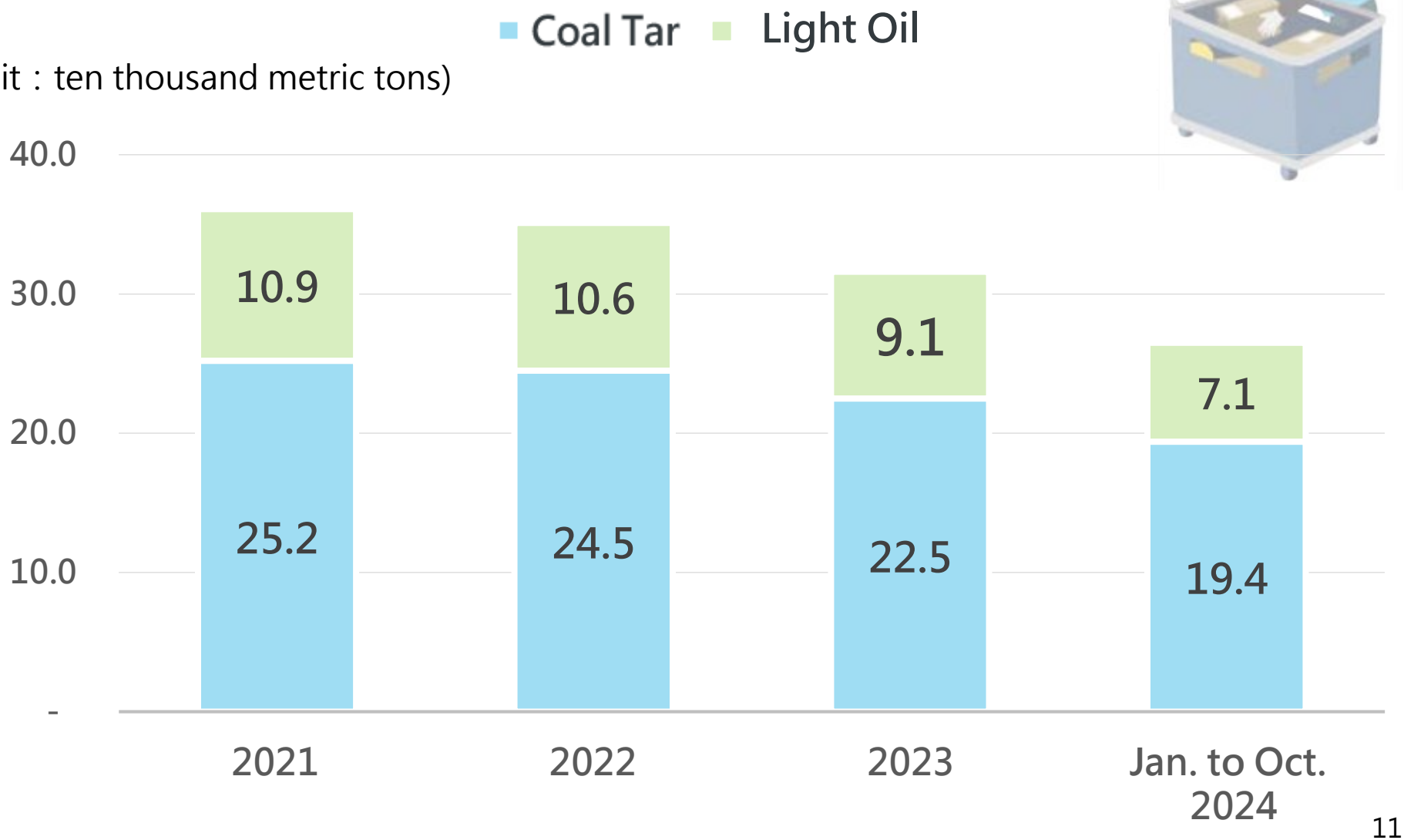
Carbon-Material

Green energy industry
- Energy storage /electric batteries

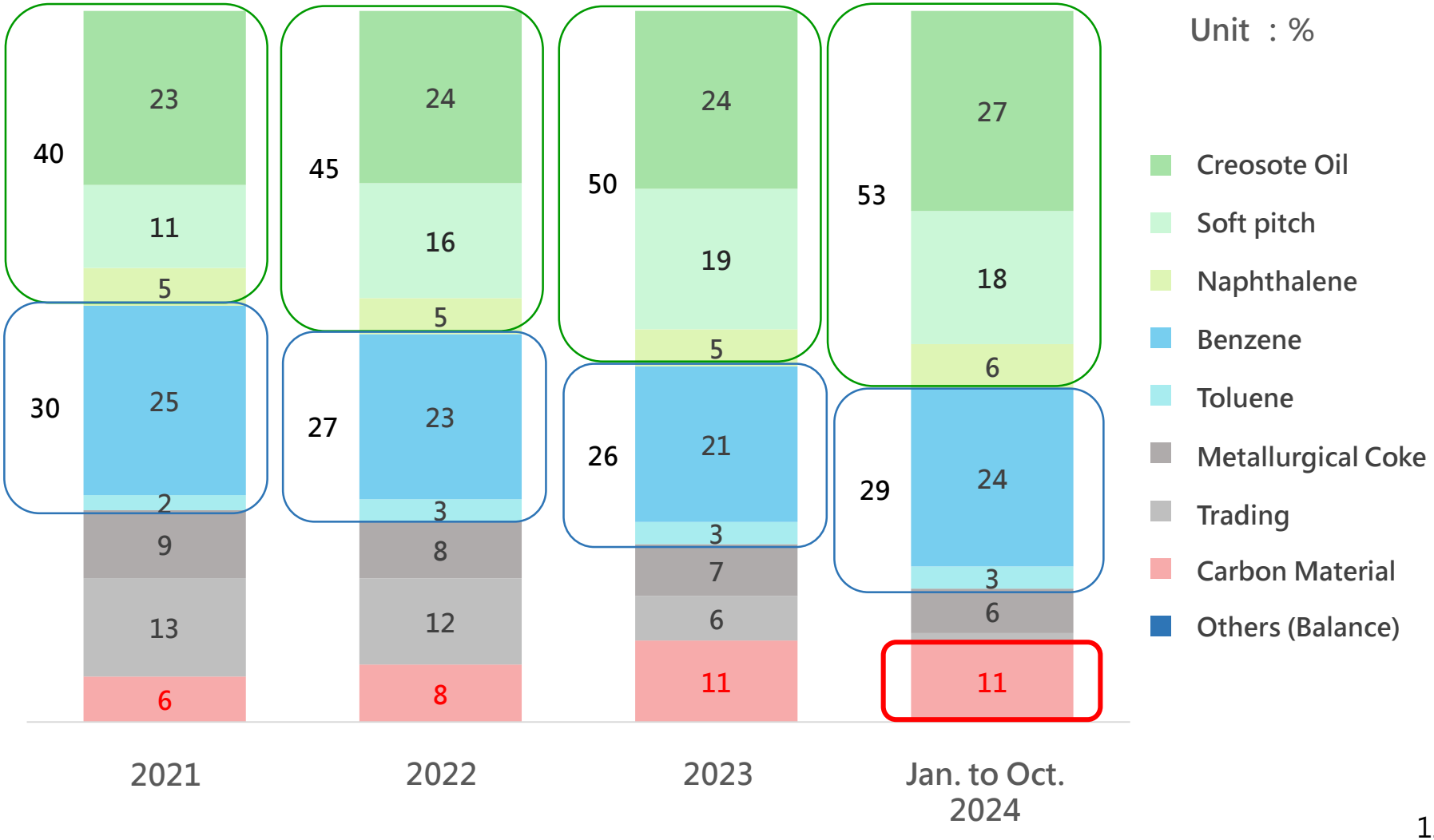
02

Operating Performance

Raw material inputs



Revenue breakdown by Products in the past three years



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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	55%	45%	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	6%	94%	Used as a solvent, mainly exported to Singapore.
Metallurgical Coke	100%		After partial processing, supplied to domestic customers for making carbon- additive.

Note: The ratio of domestic and foreign sales is the ratio of revenue in 2023.

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, Southeast Asia, and Japan.
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 China, Southeast Asia, and Japan.
Advanced Carbon Material		Mainly sales materials for supercapacitors, advanced lead-acid batteries, and lithium-ion capacitors, with markets including China, Japan, South Korea, 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 foreign sales is the ratio of revenue in 2023.

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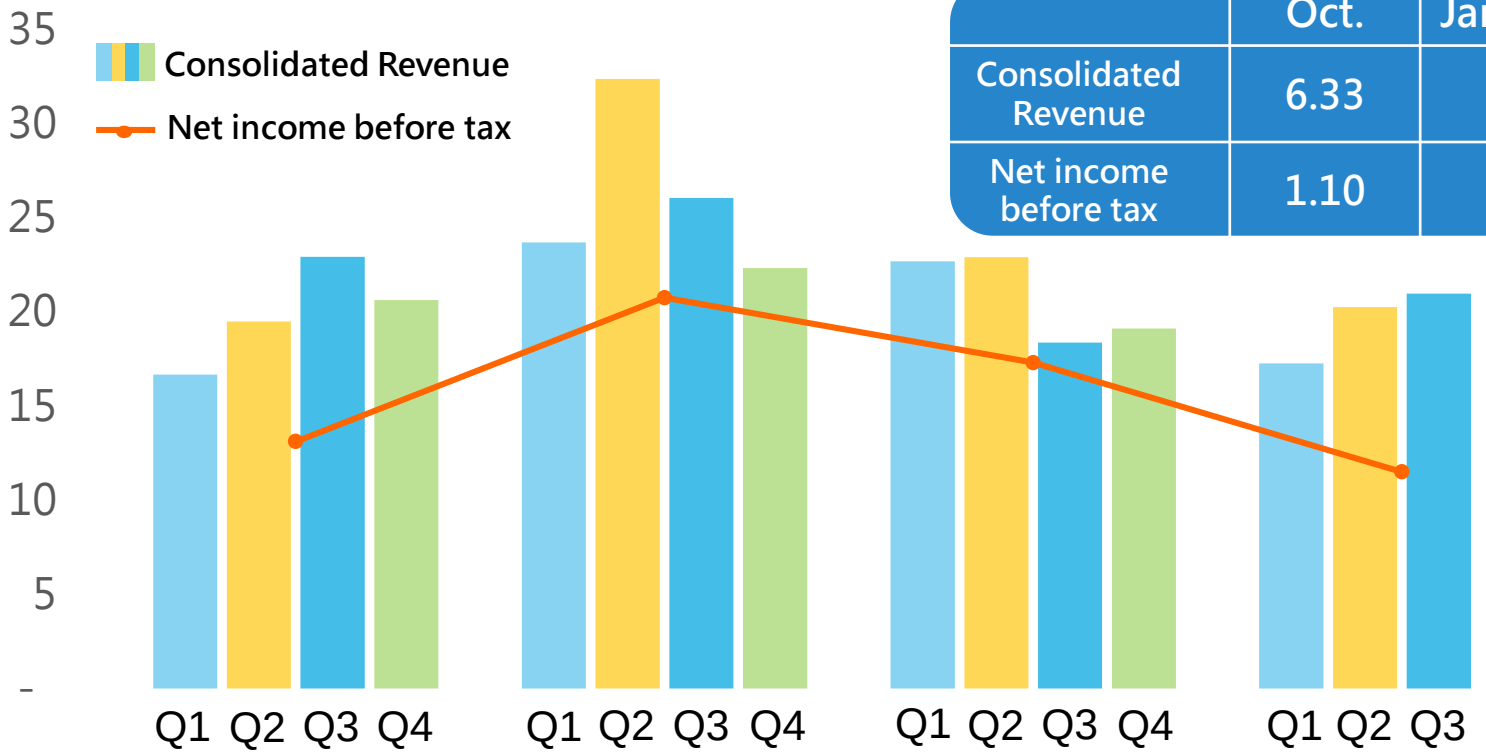
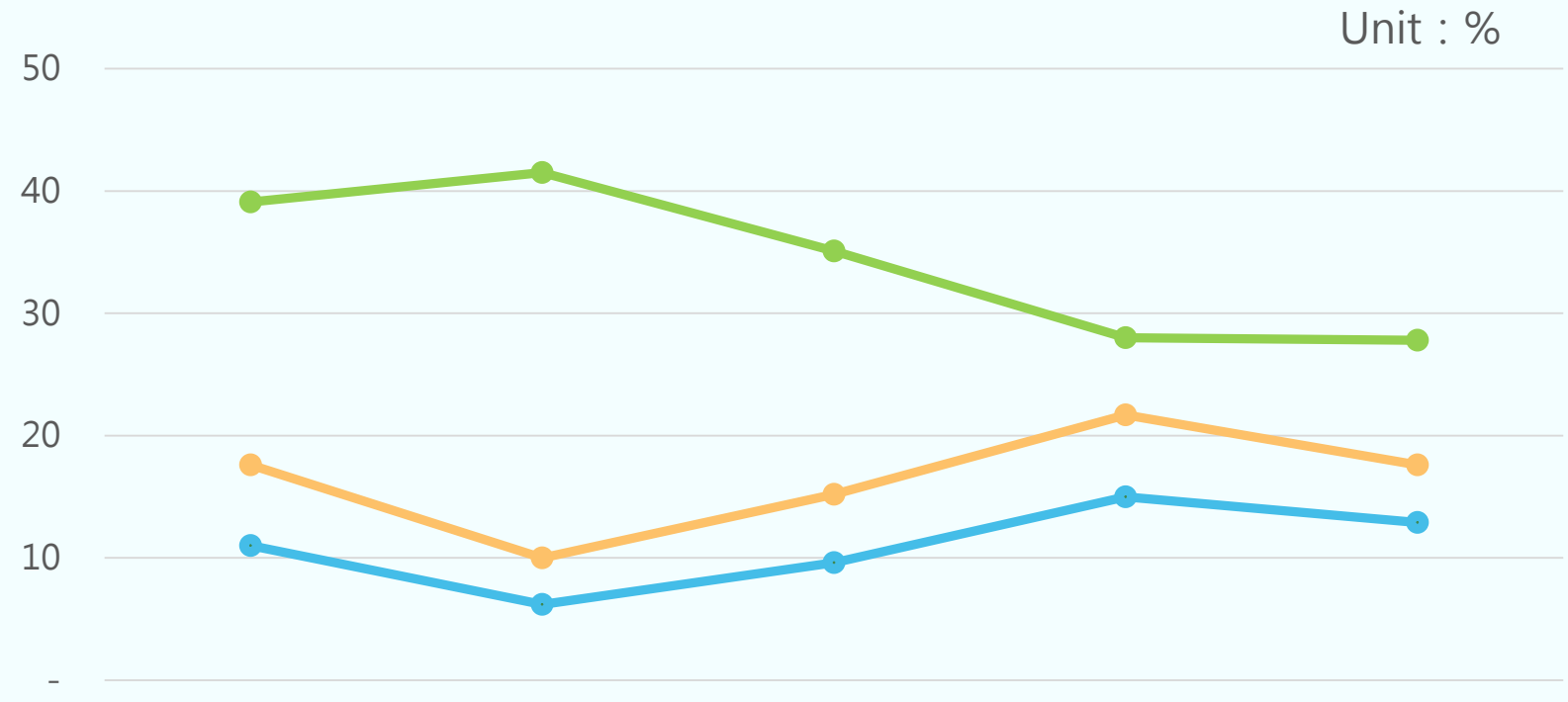
Consolidated Revenue and Net income before tax in the past three years



	Oct.	Jan. to Oct.
Consolidated Revenue	6.33	64.92
Net income before tax	1.10	12.62

	2021	2022	2023	2024 Q1 to Q3
Consolidated Revenue	79.82	104.60	83.18	58.59
Net income before tax	13.13	20.78	17.33	11.52

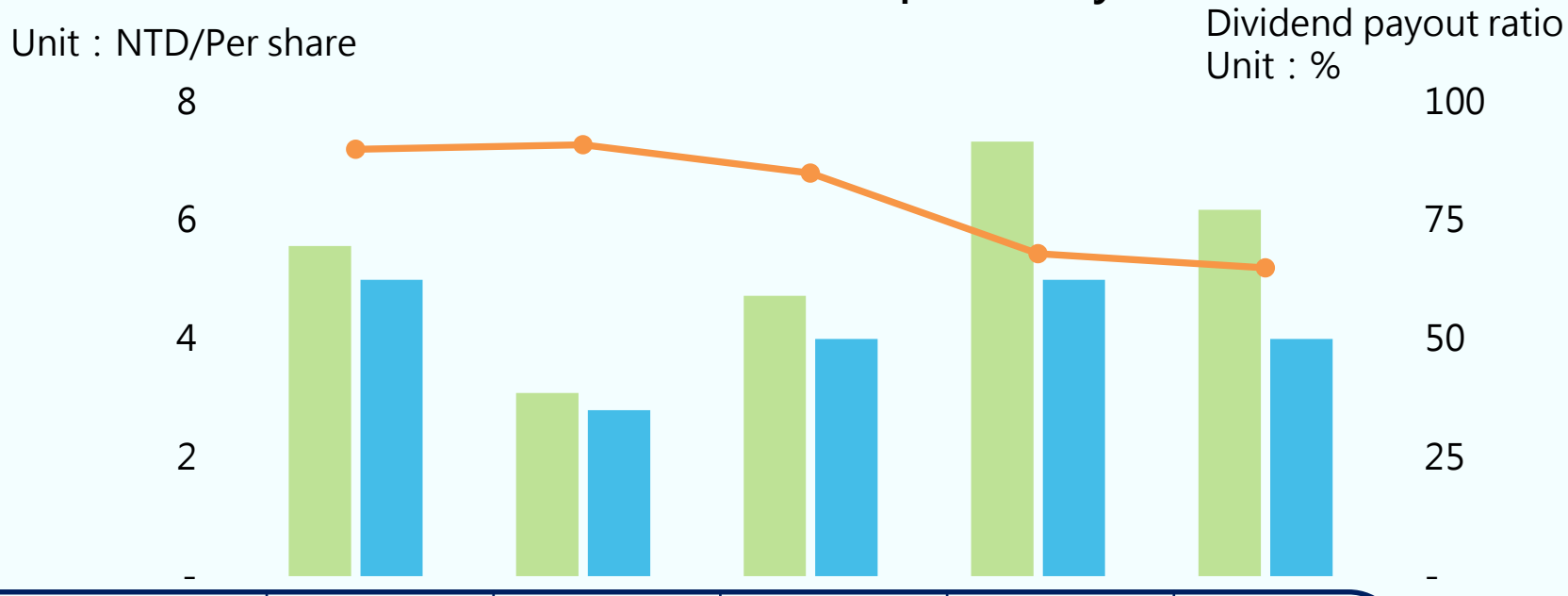
Major financial indicator



	2019	2020	2021	2022	2023
Debt ratio	39.1	41.5	35.1	28.0	27.8
ROA	11.0	6.2	9.6	15.0	12.9
ROE	17.6	10.0	15.2	21.7	17.6

Dividend Policy

EPS and Dividend in the past five years

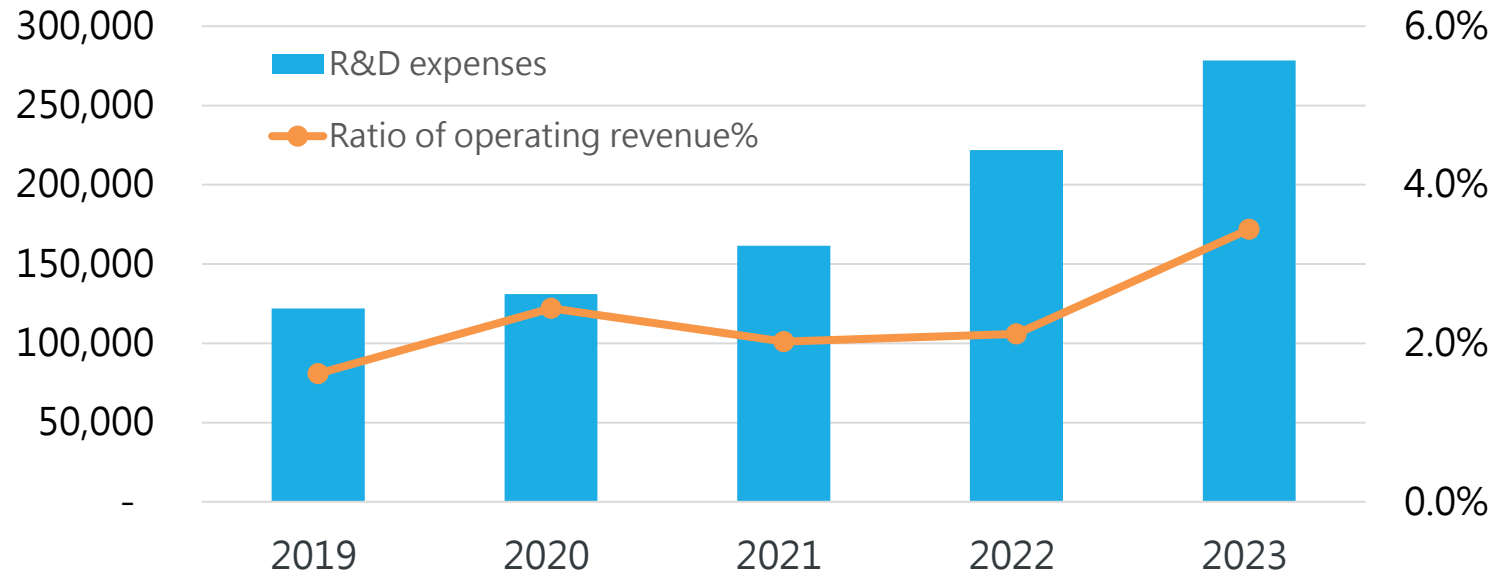


	2019	2020	2021	2022	2023
EPS	5.57	3.09	4.73	7.33	6.18
Cash Dividend	5	2.8	4	5	4
Dividend Payout Ratio	90	91	85	68	65

✓ CSCC has been profitable for 30 consecutive years. The total amount of distributed dividends (including stock dividends) is above NT$125.

R&D expenses and Industrial innovation

Unit：NTD Thousands



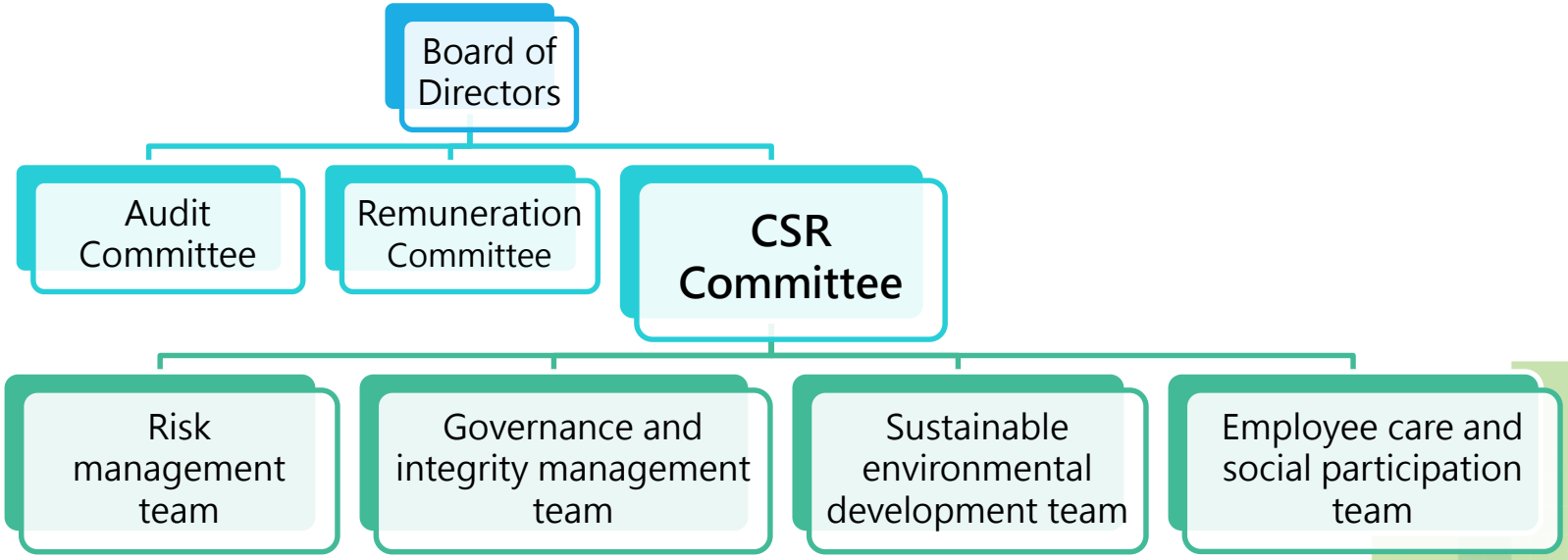
Industrial innovation subsidy projects in recent years	Execution situation
I - The development of high-purity carbon powder and isotropic graphite for use in compound semiconductors.	Completed
II - The development of anode materials for electric bus batteries	Completed
III - The development of high-purity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

03

Sustainable Development

Corporate governance

- To establish Sustainable Development Committee.
- CSCC was in the second grade(6%~20%) according to the lasted corporate governance evaluation results(2023), and for four consecutive years.
- CSCC was involved TWSE Corporate Governance 100 index(2022 and 2023). Selected as a constituent stock of the “TIP Customized Taiwan Green Energy and Electric Vehicles Index" in November 2023.



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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.

Short-term

- By adopting mature, readily implementable carbon reduction technologies, we have completed a cumulative total of 75 carbon reduction projects since our baseline year of 2018, achieving a reduction of 12,110 tons of carbon emissions.

Medium-term

- By leveraging innovative technologies, AI intelligence, and replacing absorption chillers, we aim to enhance energy efficiency and achieve a 33% carbon reduction target by 2030.

Long-term

- Utilizing clean energy technologies such as green electricity and hydrogen, complemented by carbon capture techniques, we aim to reduce emissions first and then remove residuals, progressing toward carbon neutrality by 2050.

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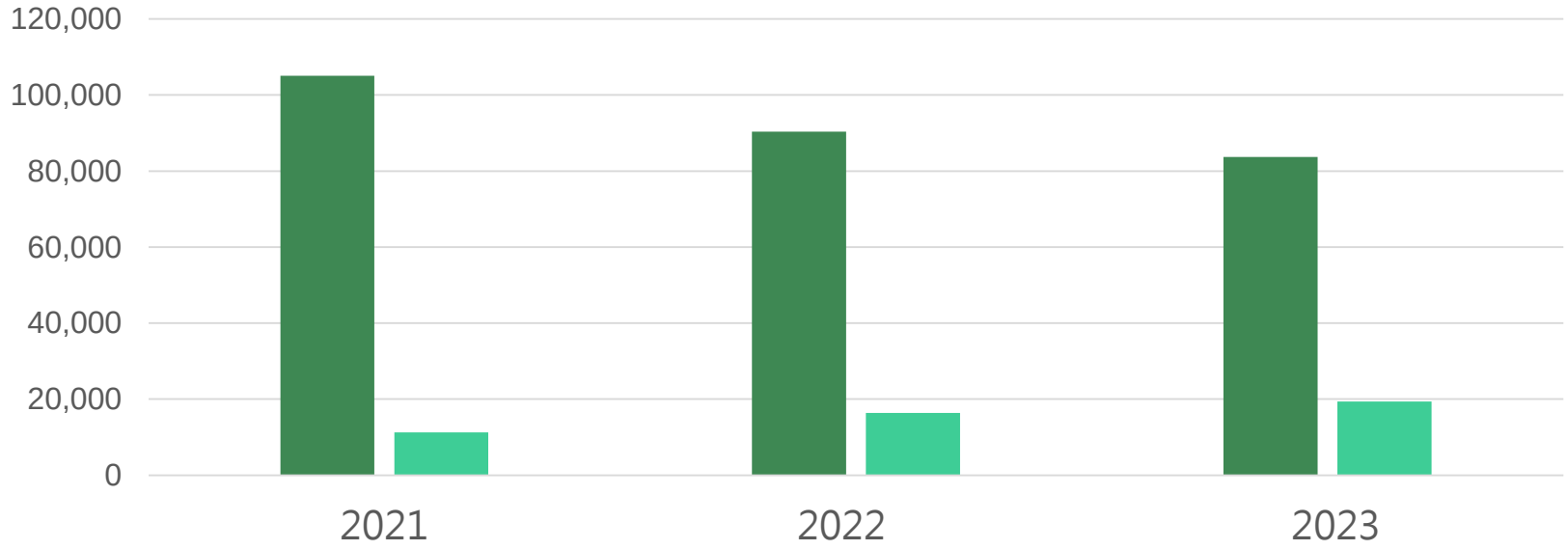
Greenhouse gas inventories conducted over the past three years.

Unit：metric tons



Plant of Xiaogang	Through process improvements, waste heat recovery, and enhanced energy efficiency measures, Xiaogang Plant's audited emissions have steadily decreased.
Plant of Pingnan	• The Pingnan plant is still undergoing expansion and production capacity continues to increase, so carbon emissions are rising. • The subsequent plan includes electrification of energy systems, the transition to green electricity, the installation of renewable energy equipment, and an increase in green energy usage, all aimed at gradually reducing carbon emissions each year.

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ESG Implementation and Award Achievements

2019-2023
- Gold Award from TCSA

2022
- National Enterprise Environmental Protection Award-Bronze medal
- Top 100 Carbon materials competitiveness on Business Weekly

2021-2024

Awarded TIPS level a patent and certification

2023

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"

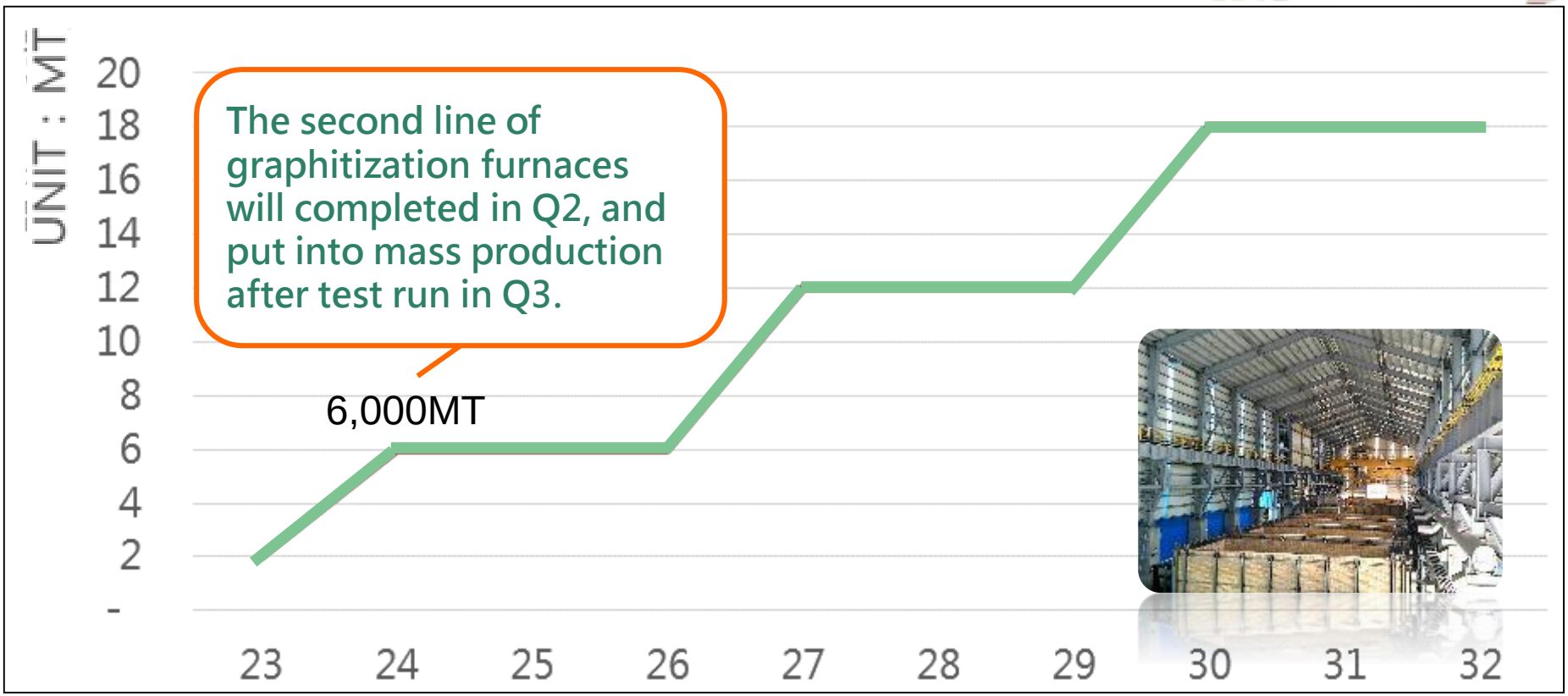
2024
- Award for The 9th National Environmental Education Award of the Excellence Award
- Award for Affairs 113 Industrial Park Greening and Beautification-Second Place
- Pingtung Excellence Enterprise Award - Investment Model Award
- Sports Administration, Ministry of Education - Sports Enterprise Certification
- Taiwan Electrical and Electronic Manufacturers' Association - Digital Transformation Model Award
- Top 100 Carbon materials competitiveness on Business Weekly

04

Future Development

Carbonization Capacity Expansion

To meet the long-term demand for future anode materials, isotropic graphite, and graphite electrode rods, the following graphite production capacity expansion plan has been outlined:



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Mesophase Graphite Powder Planning

Feature	Development	Opportunities
✓ High first columbic efficiency	✓ Ultra high drainage rate	✓ De-Sinicization
✓ High energy –density	✓ High capacity silicon carbon material	✓ Localization
✓ High discharge capability	✓ High capacity fast charging	✓ Semi-solid State Battery
✓ Long cycle life	✓ Artificial graphite compound	✓ Energy Storage Applications

Advanced Applications such as F1 Electric Racing Cars, Vertical Take-off and Landing Aircraft (eVTOL)

Energy Density(Wh/Kg): Low → High

Power Density(W/Kg) : Strong → Low

UF1 UF2	MG11 MG10	MG12 TAG11	MG13 BS481
Racing car / HEV	PT / Drone	EV / ESS	Tablets / 3C




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Advanced Carbon (ACS) Product Development

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

- ACS annual production capacity is 90MT/year.

Features of ACS

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

Product application

- Super-capacitor
- Lead-acid Battery
- Lithium-Ion Capacitor

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Applications of ACS

Supercapacitors

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

High-Power Discharge Applications

3.0V High-Voltage Supercapacitor

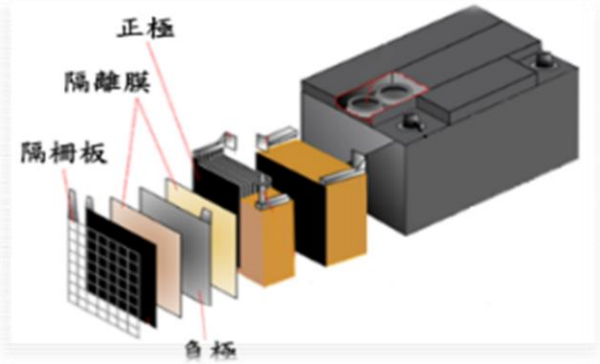
⇨ Rail Vehicles, Wind Power, Automotive Industry, Smart Grid

Advanced Lead-Acid Battery

- ✓ Advantages of Adding Advanced Carbon Powder to Lead-Acid Battery Anodes:

Enhanced Conductivity and Extended Lifespan

High-Rate Discharge



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

Lithium-Ion Capacitor

- ✓ A Hybrid of Lithium-Ion Battery and Supercapacitor, with Characteristics In-Between Both

Capable of Balancing Size, Charge/Discharge Power, and Cycle Life Characteristics

⇨ AI Data Center Power Backup System, Rail Vehicles

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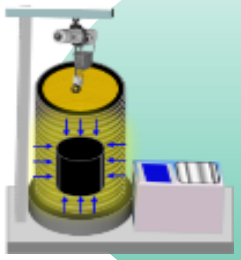
Graphite Block Development

High Purity | High Density | High Strength

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

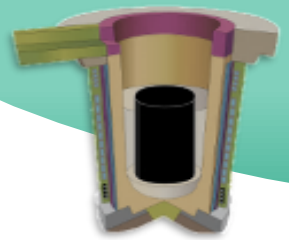
BCP

Mixing



CIP

Carbonization



Graphitization

Purification

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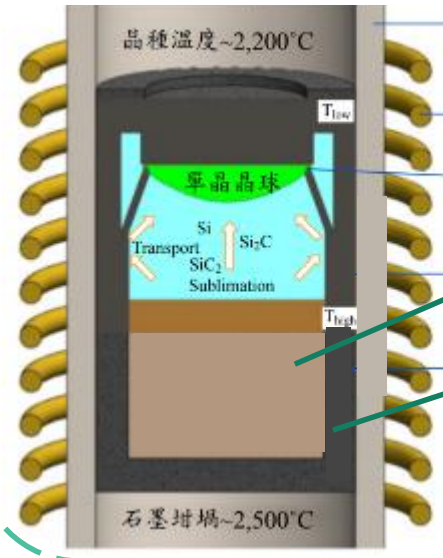
Application of SiC carbide crystal growth

- The key carbon materials and graphite materials used in silicon carbide crystal growth include:
  A. High-purity carbon powder、B. High-Purity Graphite Crucible

SiC Crystal growth furnace

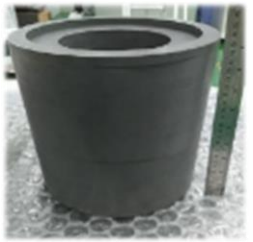


Insulation layer
Heating coil
Seed crystal
High-purity SiC powder
Graphite crucible

A. High-purity carbon Powder
B. High-Purity Graphite Crucible

Physical Vapor Transport(PVT)

SiC wafer



Graphite crucible

Advantages

SiC power devices possess unique advantages such as high voltage, high current, high temperature, high frequency, and low loss. When applied in electric vehicles and charging stations, they can save up to 75% of energy.

The Board Approved the Establishment of a Mass-Production Halogen Purification Furnace on 2024/10/31.

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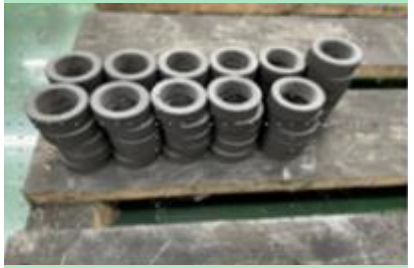
Application of Graphite Block

連接板	螺帽	連鑄冶具	3D玻璃模具
			
支撐軸件	**連鑄模具**	**加熱器**	**石墨電極**
			
半導體構件	**SiC長晶坩堝**	**SiC長晶坩堝**	**高純碳粉**
			

Silicon carbide compound semiconductor

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

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Q&A

Thank you