CHINA STEEL CHEMICAL CORPORATION

Investor Conference

May 2025

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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

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：334

PhD-8、Master-97；Male-87%、Female-13%

Manufacture Base

Coal Chemical Plant ：Kaohsiung Linhai Industrial Park

Carbon Material Plant ：Pingnan Industrial Park

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Major Shareholder

Major shareholder	Percentages
China Steel Corporation	29.04%
International CSRC Investment Holdings Co., Ltd.	4.96%
Ever Wealthy International Corp.	2.01%
Chichengte Investment Co., Ltd.	1.46%
KGI Life Insurance Co., Ltd.	1.32%
Chang Gung Medical Foundation	0.93%
Vanguard Total International Stock Index Fund Investment Account	0.91%
Mega International Commercial Bank Trust Account - CSCC	0.90%
Hsinyang Investment Co., Ltd.	0.89%
Vanguard Emerging Markets Stock Index Fund Investment Account	0.82%

As of：April 18, 2025

43.24%

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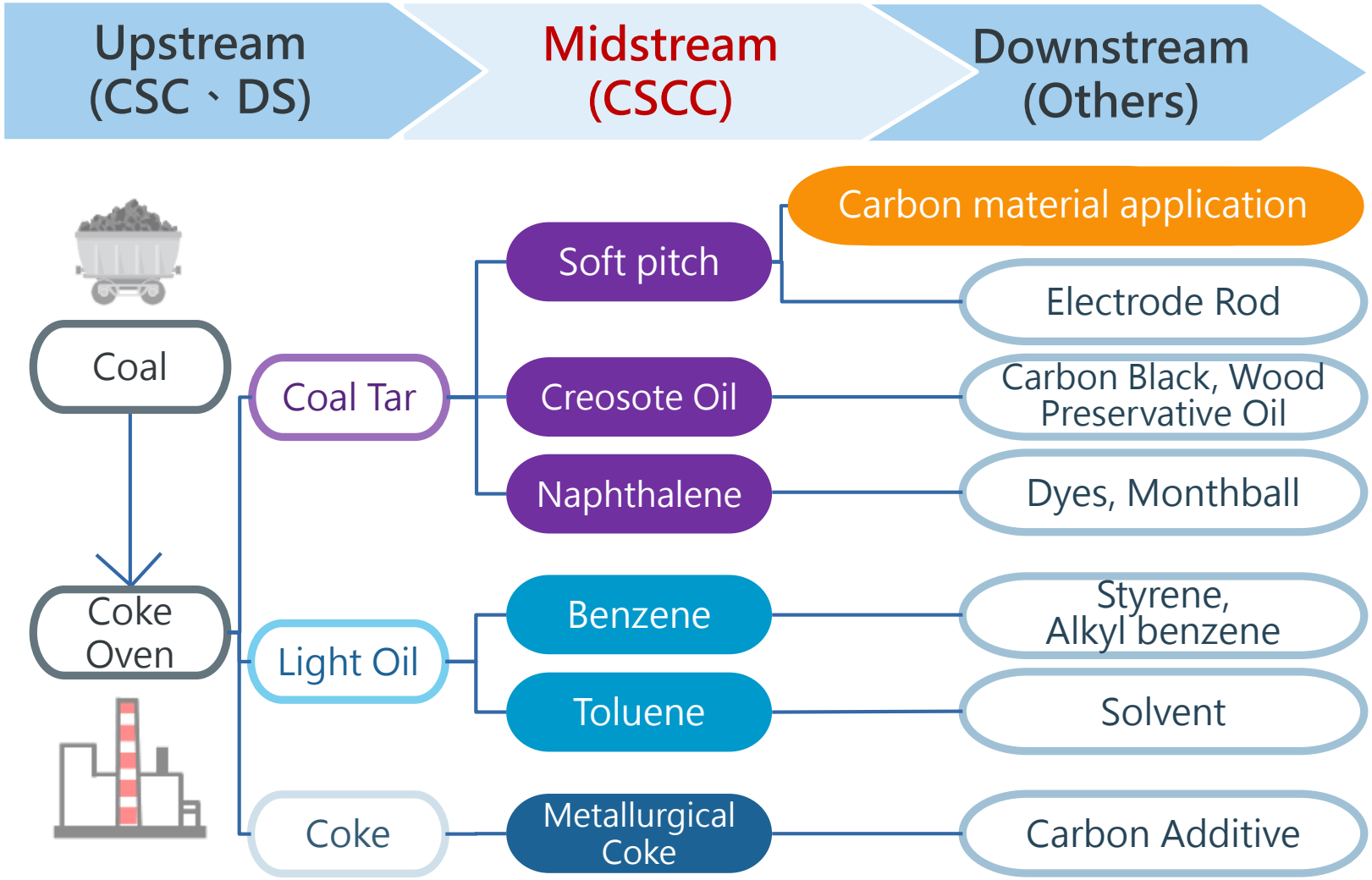
The Relating Product Map of Coal Chemical Industries



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Applications of Carbon Material Product

Soft Pitch

Refined Pitch

Green Mesophase Powder

Mesophase Graphite Powder

Advanced Carbon Material

Graphite Block

Densifier for Graphite

Carbon Fiber Precursor

Li-ion Battery

Supercapacitor

Lead-Acid Battery

Graphite Crucible EDM

Carbon material product

Application

02

Operating Performance

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Raw Material Inputs

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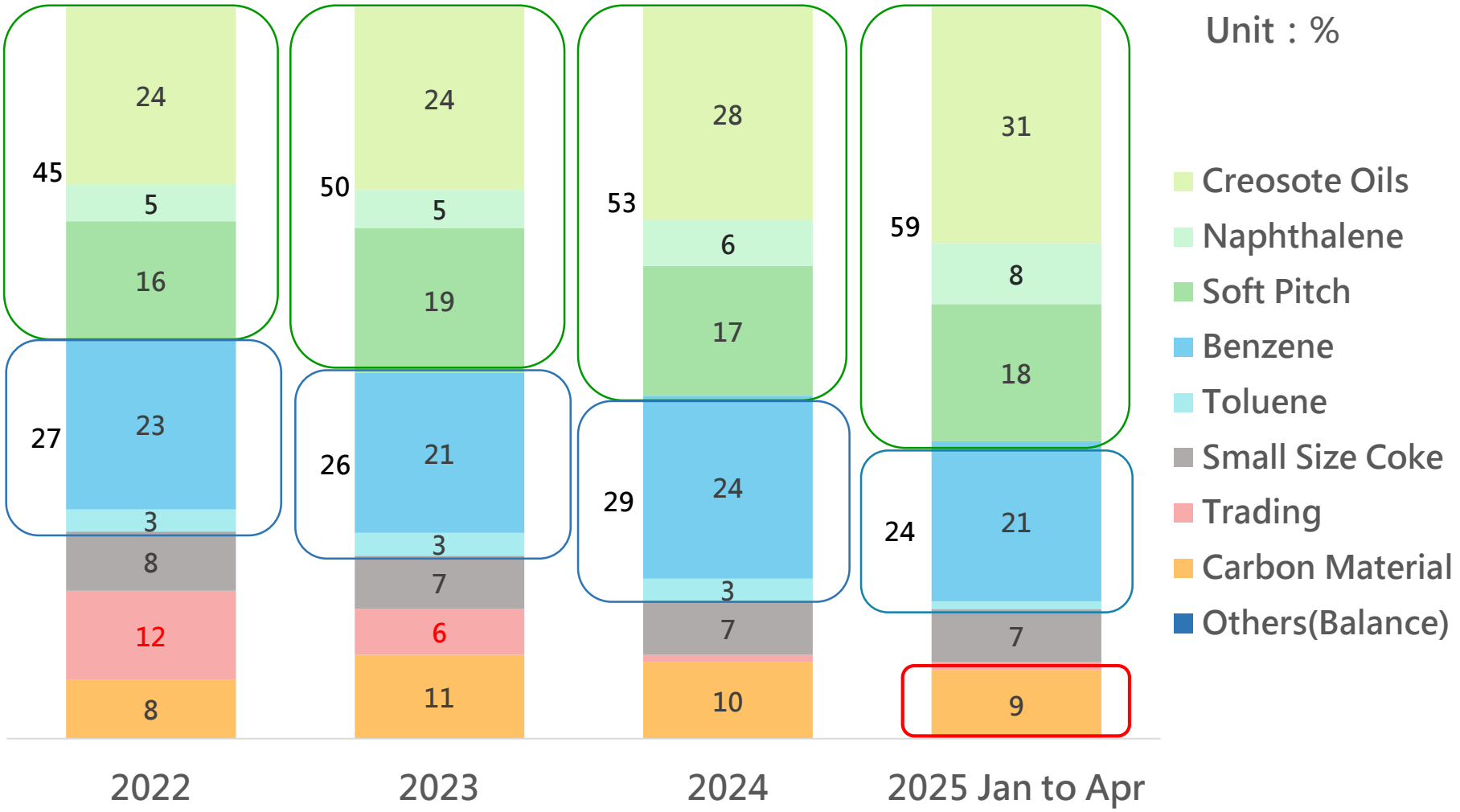
Revenue breakdown by Products in the past three years



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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	46%	54%	Used for making carbon black, a raw material for tires. Export market mainly in Japan.
Naphthalene	13%	87%	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	100%		After partial processing, supplied to domestic customers for making carbon- additive.

Note: The ratio of domestic and export is the ratio of revenue in 2024.

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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 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 export is the ratio of revenue in 2024.

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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

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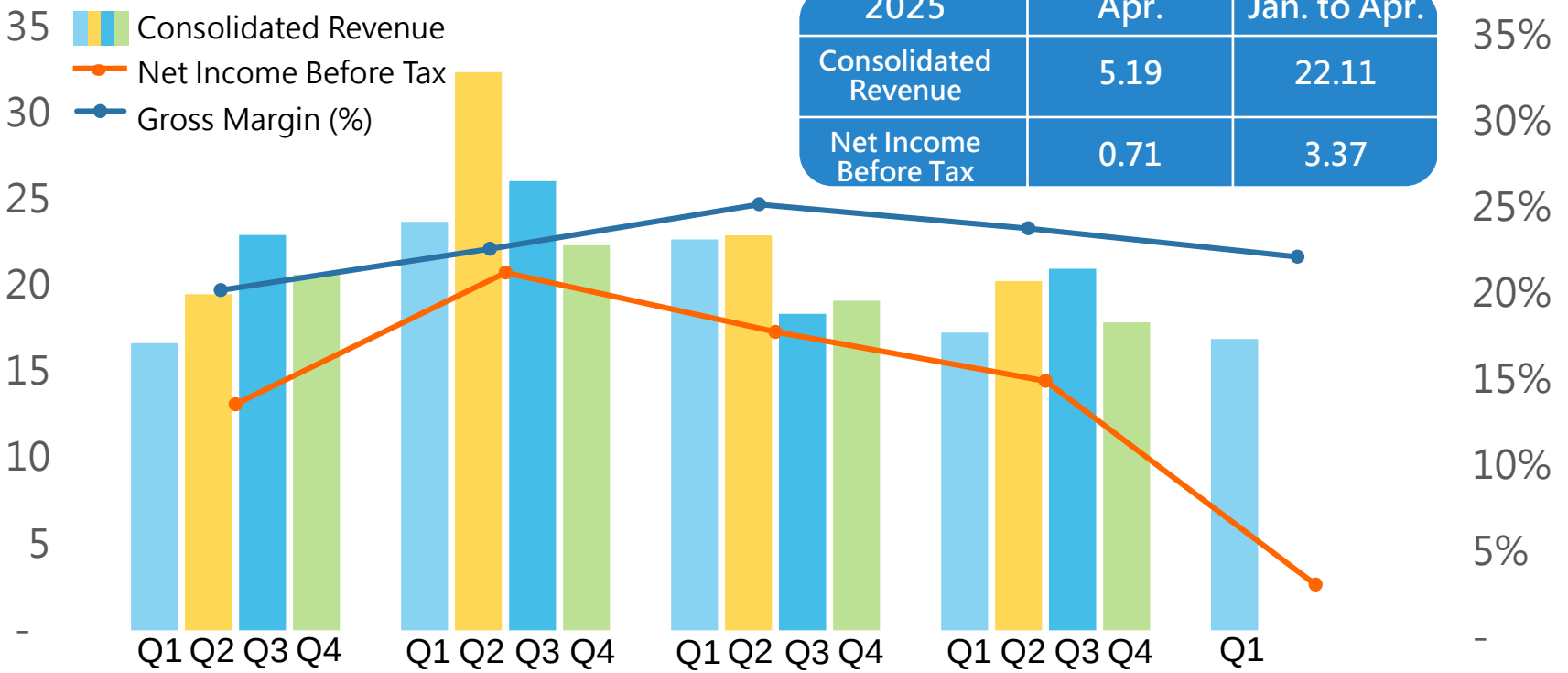
Consolidated Revenue and Net Income Before Tax in the Past Four Years

Unit：NT$100 Million

2025	Apr.	Jan. to Apr.
Consolidated Revenue	5.19	22.11
Net Income Before Tax	0.71	3.37



	2021	2022	2023	2024	2025 Q1
Consolidated Revenue	79.82	104.60	83.18	76.47	16.92
Net Income Before Tax	13.13	20.78	17.33	14.48	2.66
Gross Margin (%)	20.22	22.62	25.20	23.81	22.16

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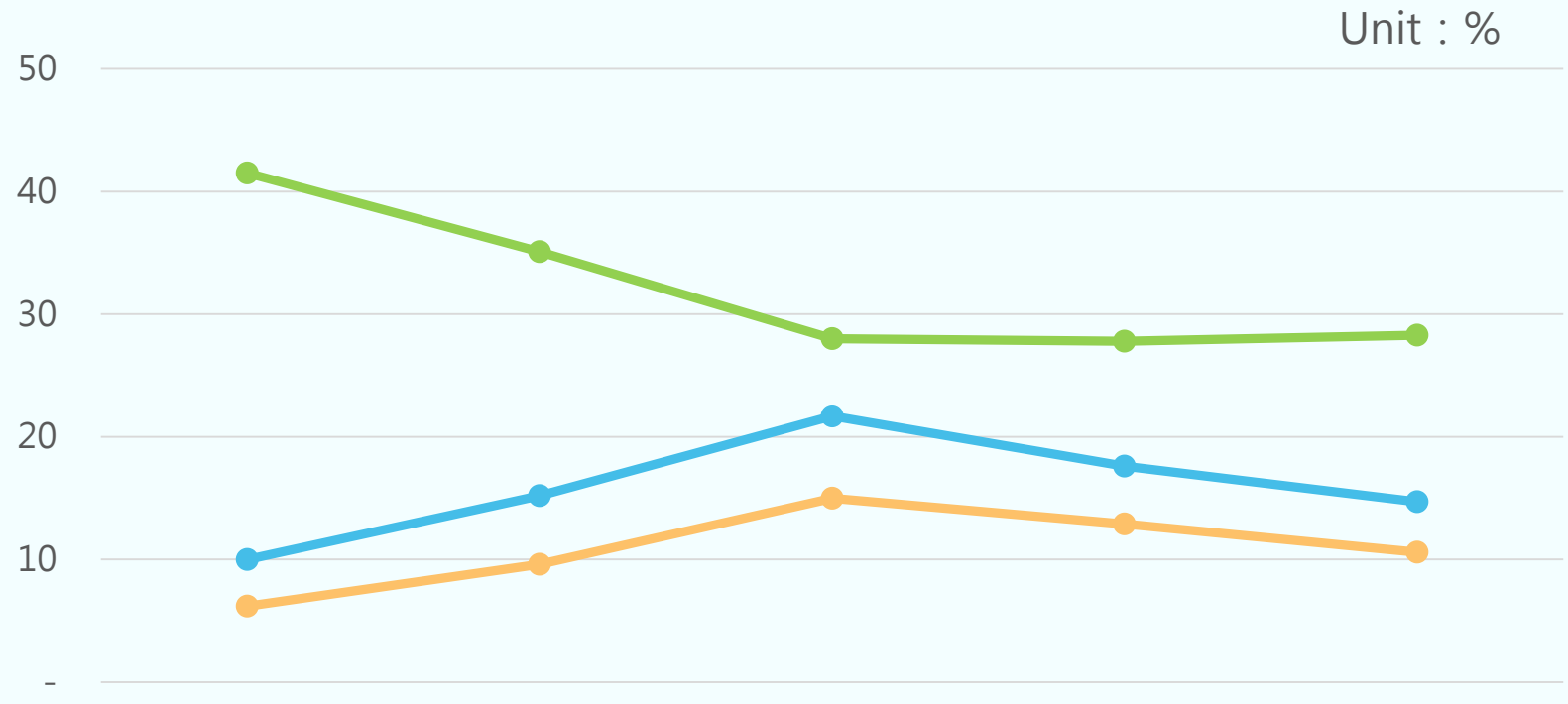
Major Financial Indicator



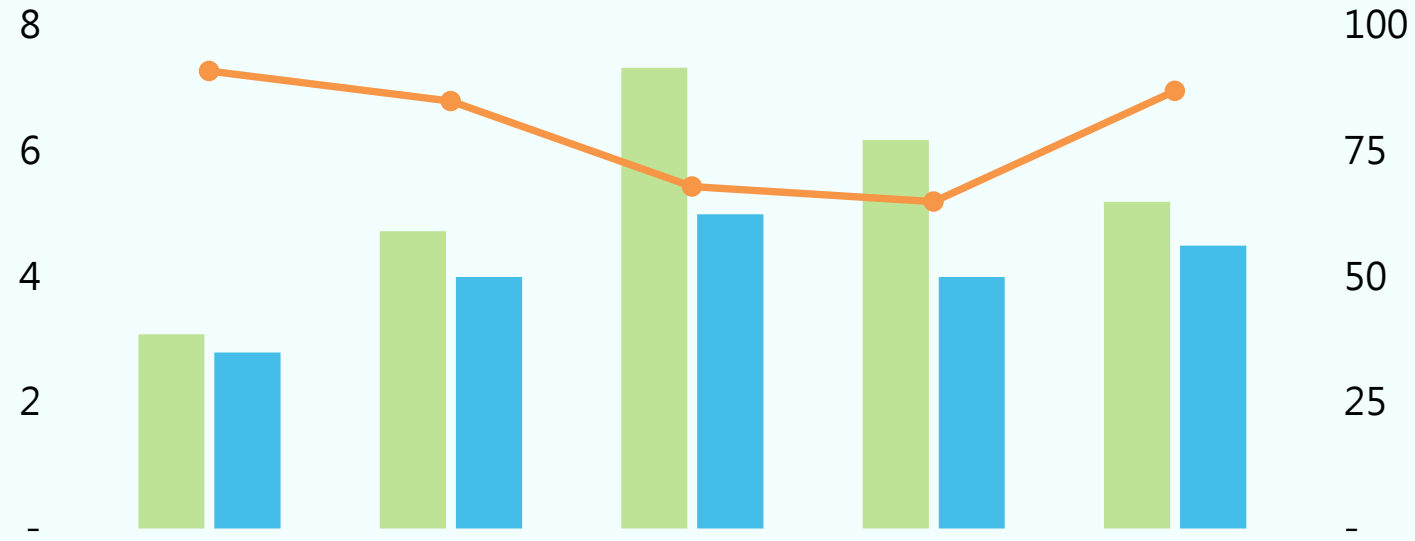
	2020	2021	2022	2023	2024
Debt ratio	41.5	35.1	28.0	27.8	28.3
ROA	6.2	9.6	15.0	12.9	10.6
ROE	10.0	15.2	21.7	17.6	14.7

Dividend Policy

EPS and Dividend in the past five years

Unit：NTD/Per share

Dividend payout ratio
Unit：%

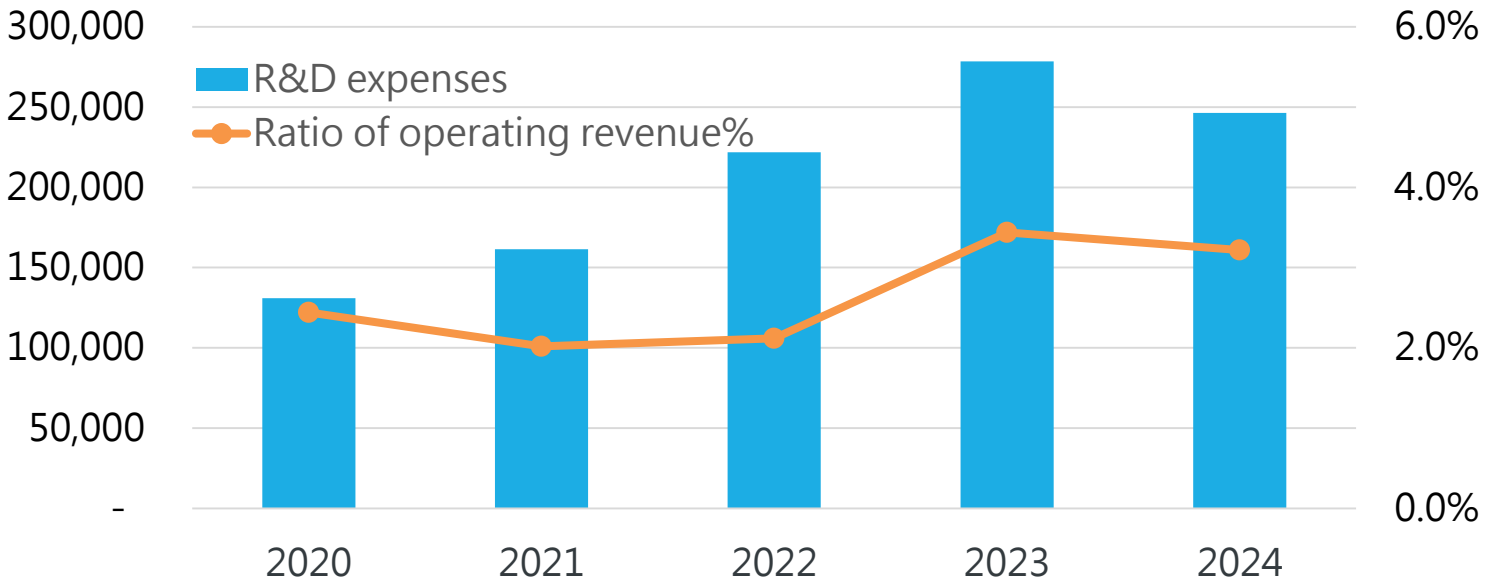


	2020	2021	2022	2023	2024
EPS	3.09	4.73	7.33	6.18	5.20
Cash Dividend	2.8	4	5	4	4.5
Dividend Payout Ratio	91	85	68	65	87

✓ 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 Thousand



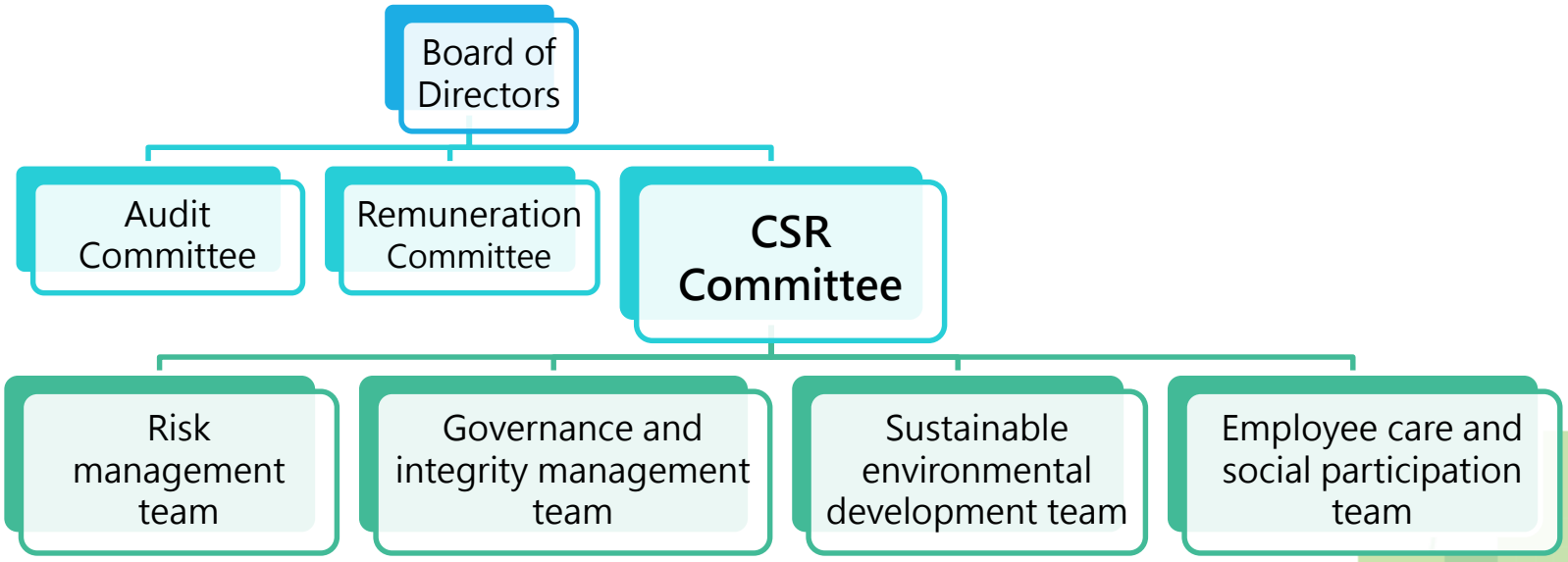
Industrial innovation subsidy projects in recent years	Execution situation
I - The development of high-purity carbon powder and isotropic graphite for use in compound semiconductors.	Completed
II - The development of anode materials for electric bus batteries	Completed
III - The development of high-purity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

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(2024), and for five consecutive years.
- CSCC was 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 65 carbon reduction projects since our baseline year of 2022, achieving a reduction of 7,016.7 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 20% carbon reduction target by 2030. (Compare to 2022)

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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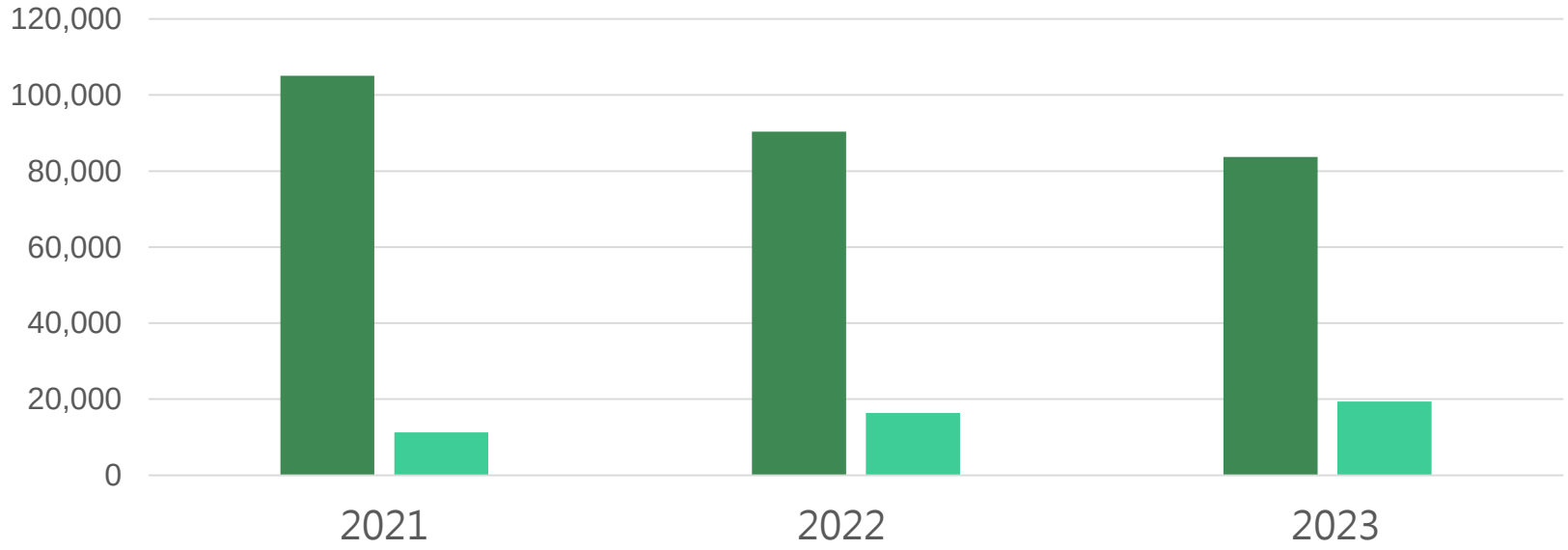
Greenhouse gas inventories conducted over the past three years.

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

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Mesophase Graphite Powder Planning

Feature	Development	Opportunities
✓ High first columbic efficiency ✓ High energy –density ✓ High discharge capability ✓ Long cycle life	✓ Ultra high drainage rate ✓ High capacity silicon carbon material ✓ High capacity fast charging ✓ Artificial graphite compound	✓ Semi-solid state battery ✓ High-end 3C quick charging demand ✓ Advanced applications such as electric Racing Cars / heavy machinery , vertical take-off and Landing Aircraft, and BBU

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

Applications of ACS

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Steady Supply

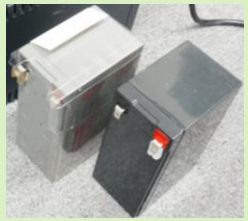
Supercapacitor Applications

- 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

Customer 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

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Investing in the Establishment of an ACS Factory

1. The advanced carbon materials production line currently maintains stable shipments to fixed customers in China, Korea, and Japan.
2. In response to the growing demand from existing customers and the increasing need for data center construction, which is driving the growth of new energy storage components, along with the completion of new technology development, the Board of Directors has approved the investment in establishing an advanced carbon materials factory to create value for the company and its shareholders.

✓ **Annual Production Capacity of 500 Metric Tons.**

✓ **Expected to complete trial runs and commence production in Q1 2027.**

In response to growing existing demand, developing new growth drivers.

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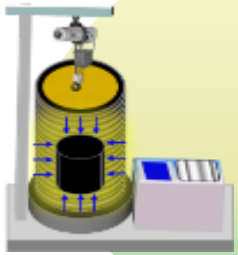
Graphite Block Development

High Purity | High Density | High Strength

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

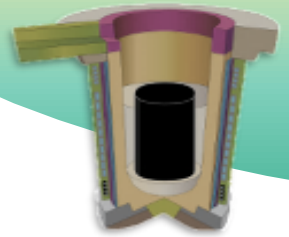
BCP

Mixing



CIP

Carbonization



Graphitization

Purification

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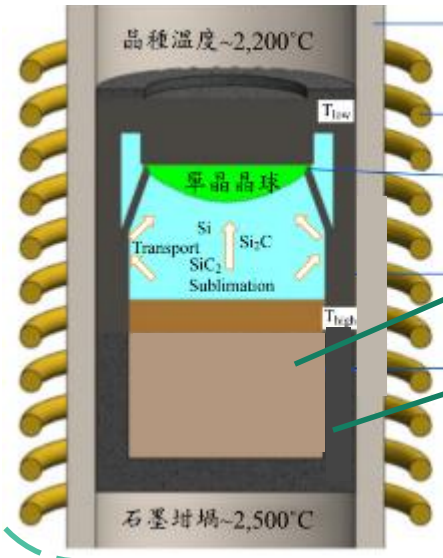
Application of SiC carbide crystal growth

- 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

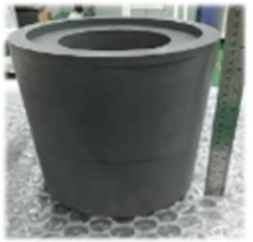


Insulation layer
Heating coil
Seed crystal
High-purity SiC powder
Graphite crucible

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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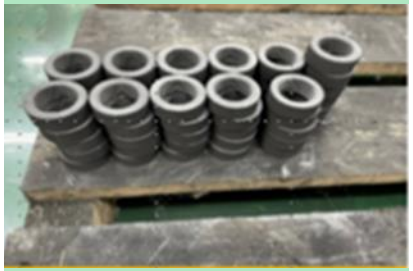
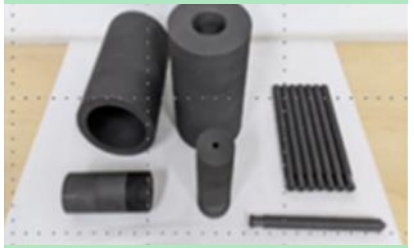
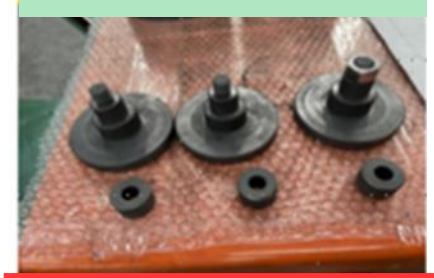
Application of Graphite Block

Connection board	Nut	Continuous casting tools	3D-Glass mold
			
Support shaft	**Continuous casting mold**	**Heater**	**Graphite Electrode**
			
Semiconductor components	**SiC crystal growth crucible**	**SiC crystal growth crucible**	**High purity carbon powder**
			

Silicon carbide compound semiconductor

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Investing in the Establishment of Graphite Block Factory

1. Graphite block products are key materials used in third-generation compound semiconductors.
2. Currently, apart from CSCC, there is no domestic production capability. After years of technological advancements, CSCC has obtained verification from multiple customers and meets manufacturers' supply standards.
3. The Board of Directors has approved the investment in establishing an graphite block factory, enhancing the value of the company's products.

✓ **Annual Production Capacity of 240 Metric Tons.**

✓ **Expected to complete trial runs and commence production in Q1 2027.**

Enhanced product value, diversified services, and integrated production technology

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Impact of Recent Exchange Rate Fluctuations and U.S. Reciprocal Tariffs on the Company

1. Reciprocal Tariffs:

   The coal chemical products are mainly sold in the Asian market, the products sale to the U.S. by the end customer are minimal, resulting in an insignificant impact.

   The carbon material products have relatively low share of direct exports to the U.S. market, **some of the Company's customers may benefit from order transfers previously sourced by the U.S. from China.**

2. Exchange Rate:

   Over 45% of the Company's sales are from exports, which are primarily denominated in U.S. dollars. Additionally, the functional currency of the subsidiary in Changzhou is CNY. For CSCC on standalone basis, a NT$1 appreciation against the U.S. dollar would reduce its revenue by approximately 2.2% and its gross margin by around 0.5 percentage points.

3. Countermeasures:

   a. Adjust pricing strategy.
   b. Accelerate the cash collection cycle.
   c. Expand the domestic market and seek to develop value-added products.

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