

Stock Code:2014

member of CSC Group 中鋼集團



CHUNG HUNG STEEL CORPORATION 2026 Q1 INVESTOR CONFERENCE

2026.03.24



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Company Profile

Date of establishment
1983.09.29

Chairman of the Board
Min Chu

President
Fu-Liang Wang

Paid-in capital
**NTD
14,355,444,460**

Address
**317, Yu Liao Rd.,
Chiao Tou
District,
Kaohsiung City
82544**

Main stockholder
**China Steel
Corporation
(40.59%)**

Main products
**Hot-rolled coil,
Cold-rolled coil,
Steel pipe &
Tube, Hot-rolled
pickled**

Mills
**Kaohsiung: Hot Rolling
Mill, Cold Rolling Mill, Steel
Pipe & Tube mills (Da-fa)
and Pickling & Galvanizing
Mill
Changhua(Zhang-bin
Industrial Park): Tube mills
(Lu-kang)**

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World Economic Growth Forecast

- The latest IMF report projects **global economic growth at 3.3% in 2026, an upward revision of 0.2 percentage points from the previous forecast**, reflecting continued resilience supported by strong AI-related investment and accommodative financial conditions.
- Economic performance across major economies is stabilizing. Growth in the U.S. has exceeded expectations, supporting advanced economies, while the Eurozone economy is stabilizing and gradually recovering. China and other emerging markets continue to show growth momentum.
- **Global GDP growth is projected at 3.2% in 2027, indicating continued moderate expansion.** Nevertheless, risks from geopolitical tensions and evolving trade policies warrant close monitoring.

Manufacturing PMI

- **United States** : Output and new order growth slowed due to price pressures and weather disruptions, while the PMI remained in expansion.
- **Eurozone** : Rising output and new orders boosted business confidence significantly, with economic activity continuing to strengthen.
- **Japan** : Strong performance in new orders and output, alongside improving employment and business confidence, led to faster expansion in the PMI.
- **South Korea** : Stable export performance supported the index, which remained in slight expansion territory.
- **China** : Improving domestic and external demand supported gains in output and new orders, leading to a notable rebound in the PMI.
- **ASEAN** : Strong growth in new orders drove higher output and accelerated manufacturing expansion.
- **India** : Stable domestic demand and investment kept the PMI firmly in expansion territory.

Global Crude Steel Production Forecast

- According to worldsteel' s October 2025 forecast, **global steel demand in 2026 is projected to grow by 1.3% to 1,773 million tonnes, remaining on a moderate growth path** as infrastructure investment remains strong across most countries and financing conditions are expected to improve.
- In China, the decline in steel demand is expected to moderate as the property market is expected to bottom out and stabilize. In the European Union, improving economic conditions and higher defense spending are likely to support a recovery in steel demand. **Meanwhile, emerging economies are expected to maintain strong steel demand, supported by economic growth and domestic demand, particularly in India, ASEAN, and the MENA region.**

Global Steel Demand Forecast

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Steel price trend-Hot Rolled (international market)

2025.Q4-2026.Q1 Steel Price Trend Recap and Outlook (International)

- **2025.Q4 :**
- **In the U.S.**, supply tightened due to maintenance at domestic mills, while tariffs curbed import interest. Domestic producers raised their prices, prompting a rebound in the domestic steel market.
- **In Europe**, anticipation of CBAM enforcement and stricter trade policies has strengthened mills' resolve to hold firm on prices, supporting a gradual rise in local steel prices.
- **In Asia**, demand recovery has been gradual, but steel prices have been supported by raw material costs, resulting in a slightly range-bound market.

Steel price trend-Hot Rolled (international market)

2025.Q4-2026.Q1 Steel Price Trend Recap and Outlook (International)

- **2026.Q1 :**
- **In the U.S.**, downstream buyers show limited interest in imports due to tariff considerations. Coupled with limited supply from domestic mills, lead times continue to lengthen, and spot prices are rising steadily.
- **In Europe**, the impact of CBAM has led to a continued tightening of import supply. End buyers tend to source locally, mills maintain firm offers, and market prices are trending upward.
- **In Asia**, trading activity slowed slightly earlier due to the Lunar New Year holiday. However, as seasonal factors ease and with support from raw material costs, steel prices have found firm support and remain in a consolidation phase.
- Overall, steel prices in the US and Europe have risen significantly, while Asian markets are stabilizing and gradually recovering. In addition, manufacturing PMIs across many economies have increased, indicating that downstream demand remains supportive. Although geopolitical tensions in the Middle East may disrupt steel trade flows, mills in various countries have shown firm resolve to support prices. **As the construction and production season approaches, downstream demand is expected to accelerate, market supply-demand conditions should steadily improve, and the steel market is likely to trend upward steadily.**

Steel Market Outlook

- From a macroeconomic perspective, **the IMF' s January World Economic Outlook revised the 2026 global growth forecast upward to 3.3% (+0.2%), indicating that economies have largely absorbed the impact of last year' s trade and tariff policy changes, with the global recovery expected to continue.** Meanwhile, global manufacturing PMI rose notably in February. The eurozone and Japan reached their highest levels in more than three years, while the ASEAN region expanded to a record high, signaling a gradual improvement in industrial activity and supporting expectations of continued moderate global growth.
- In terms of steel demand, **the World Steel Association (worldsteel) noted in its October Short Range Outlook that global steel demand is expected to rise by 1.3% in 2026 to 1,773 million tonnes, supported by resilient global economic activity and strong infrastructure investment.** In China, the property market is expected to stabilize, helping narrow the decline in steel demand. In the European Union, improving economic conditions and higher defense spending are likely to support a recovery. Meanwhile, developing economies are set to maintain robust steel demand, driven by economic growth and expanding domestic consumption.

Steel Market Outlook

- In China, the government's "Two Sessions" work report maintained the policy tone of "seeking progress while maintaining stability." Key measures include continuing a moderately accommodative monetary policy, intensifying efforts to curb "involution-style" competition, issuing RMB 1.3 trillion in ultra-long-term special treasury bonds, and continuing to promote the "Two Major Projects" and "Two New Initiatives." These policies are expected to improve overall supply-demand conditions. Meanwhile, **China's crude steel production in January–February 2026 declined by 3.6% year on year, indicating that supply remains in a relatively restrained phase, which could help support the stable development of the Asian steel market.**
- Looking ahead, elevated raw material costs, including coking coal and iron ore, together with improving manufacturing activity across several economies, are expected to strengthen mills' pricing power in major regions. **As seasonal factors ease, downstream procurement is likely to become more active, supporting a steady upward trend in the global steel market. However, the ongoing Middle East conflict may disrupt steel trade and supply chains through volatility in energy and logistics costs.** The International Monetary Fund (IMF) has warned that a prolonged conflict could pose risks to global energy prices, market sentiment, and inflation, and therefore warrants close monitoring.

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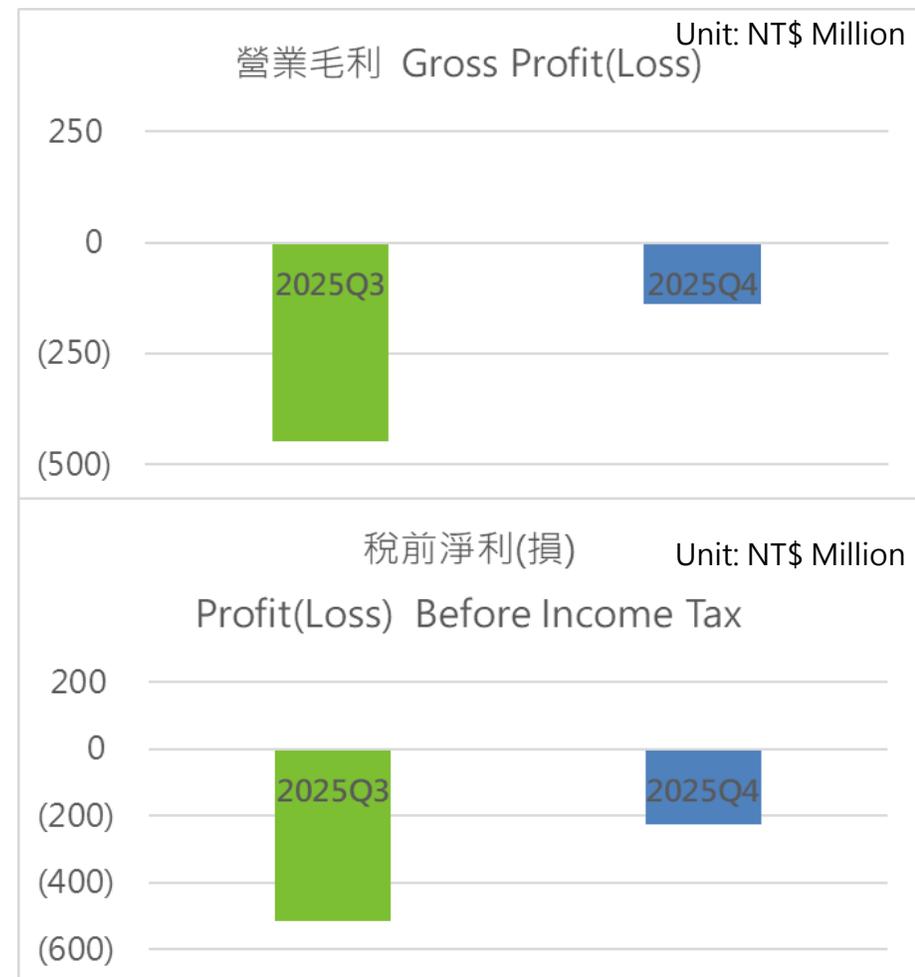
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Financial Overview(1/3)

Financial Performance

(In Million of New Taiwan Dollars)

	2025Q3	2025Q4	Percentage Change
Operating Revenues	4,117	3,784	(8.78%)
Gross Profit(Loss)	(447)	(139)	68.94%
Profit(Loss) Before Income Tax	(515)	(228)	55.89%
Net Profit(Loss) for the Period	(535)	(264)	50.79%
Gross Profit(Loss) Rate	(10.86%)	(3.67%)	66.21%
Profit(Loss) Before Income Tax Rate	(12.51%)	(6.00%)	52.02%
EPS	(0.37)	(0.18)	50.79%



Financial Overview (2/3)

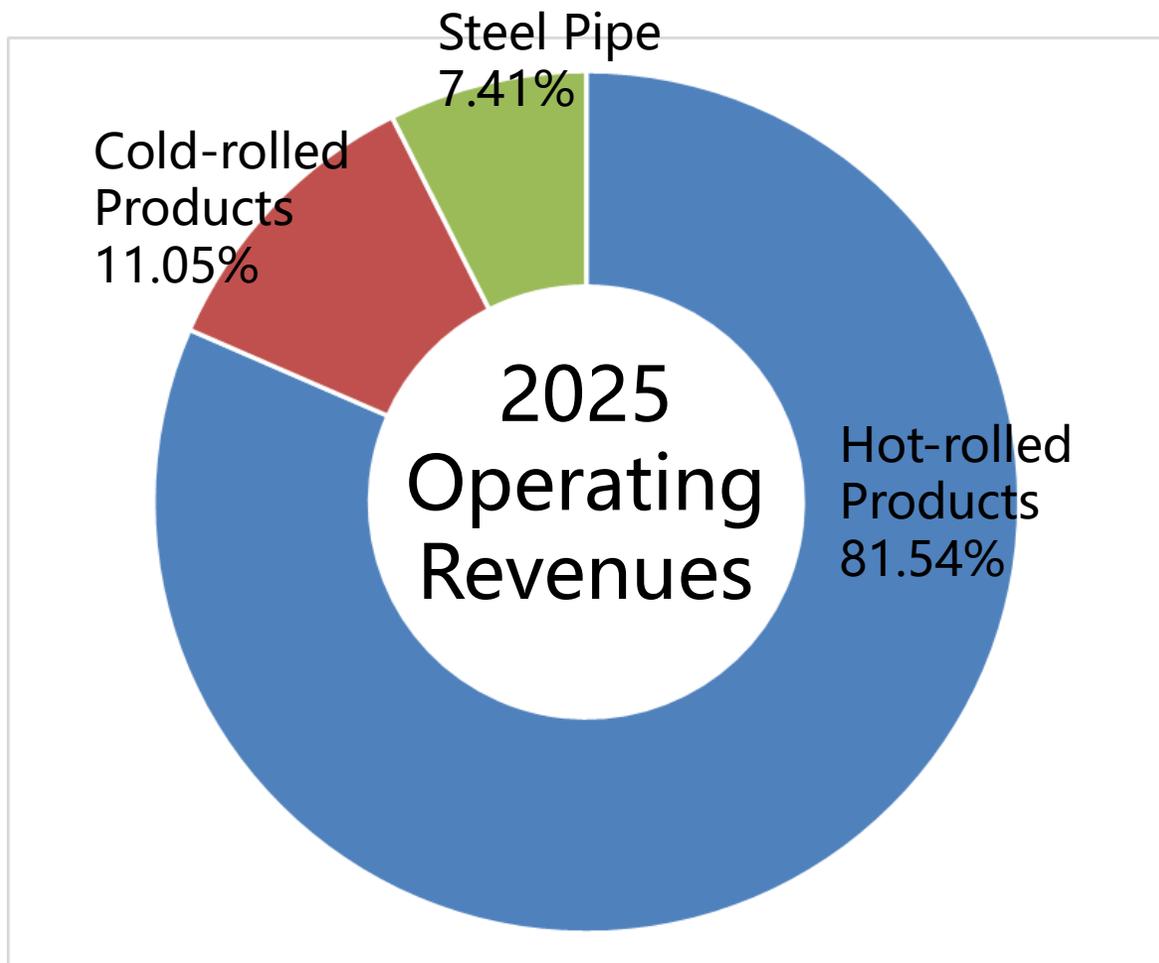
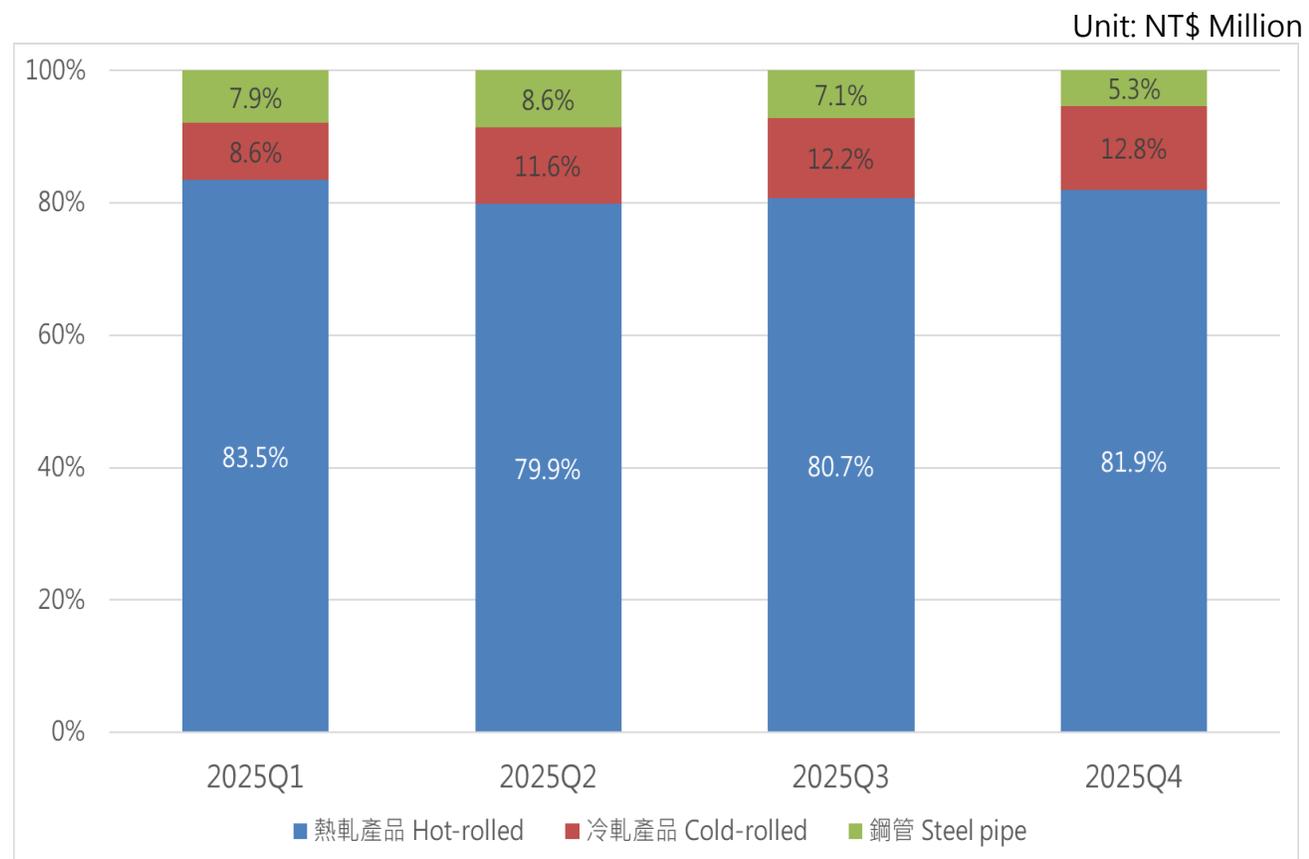
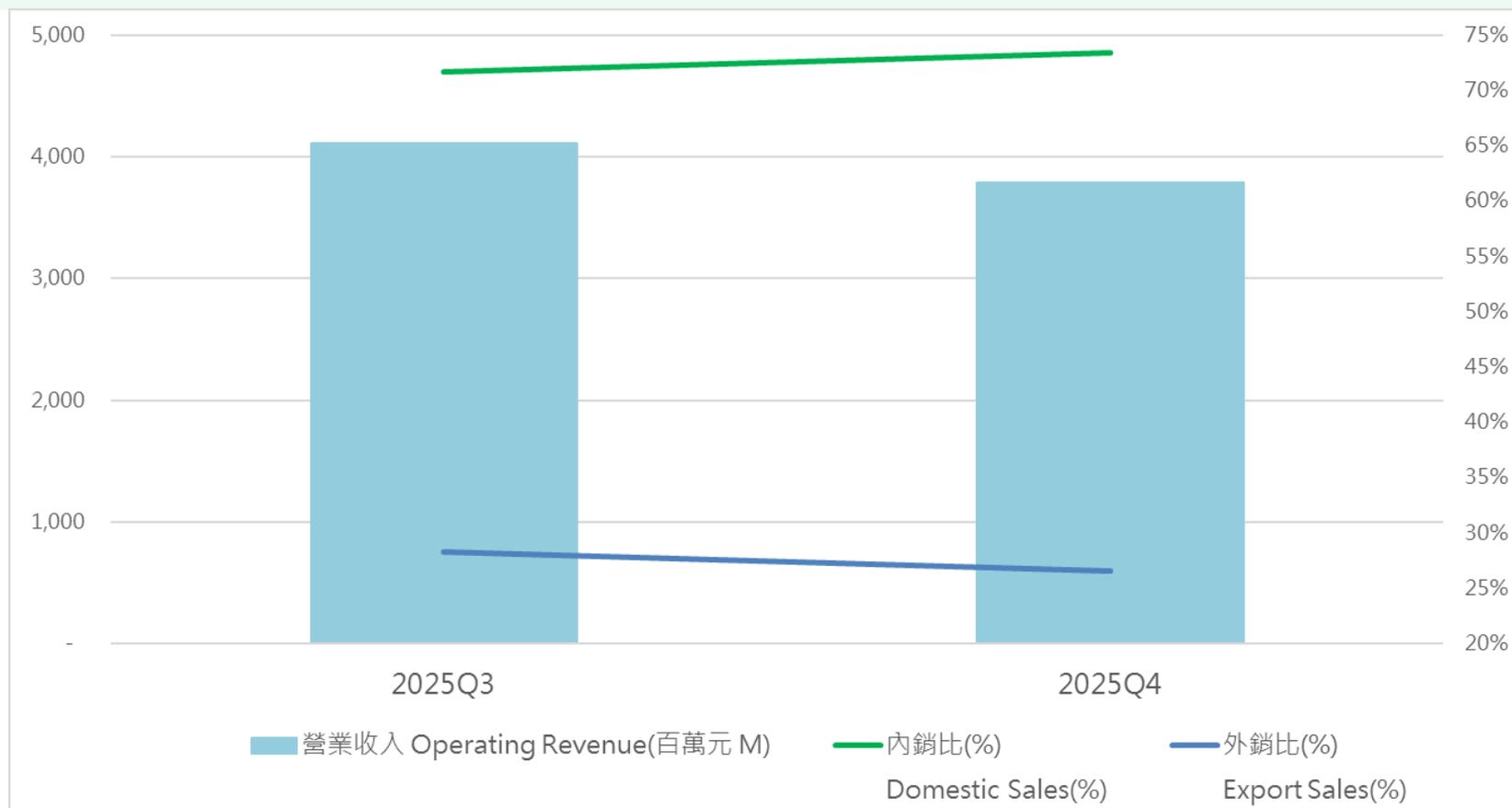


Table of Sales by Products



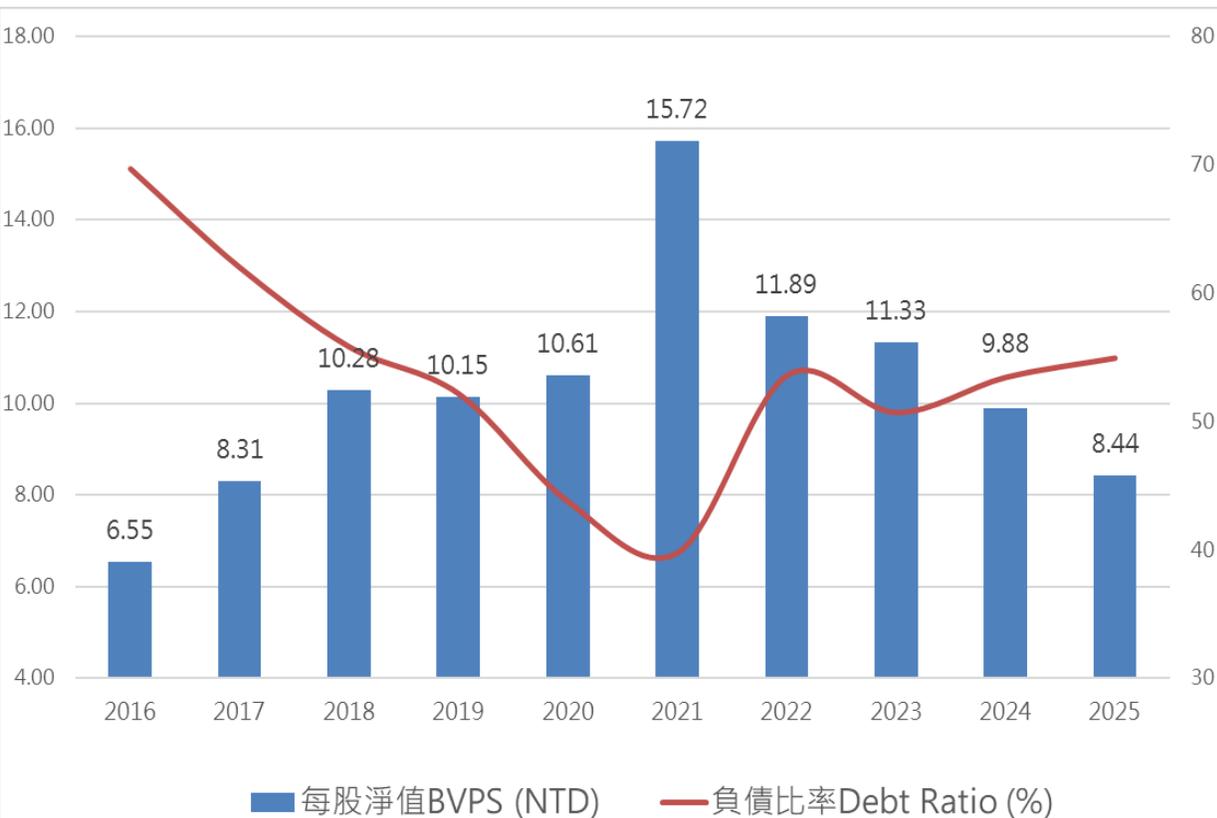
Financial Overview (3/3)

Operating Revenues & Domestic vs. Export Sales Ratio

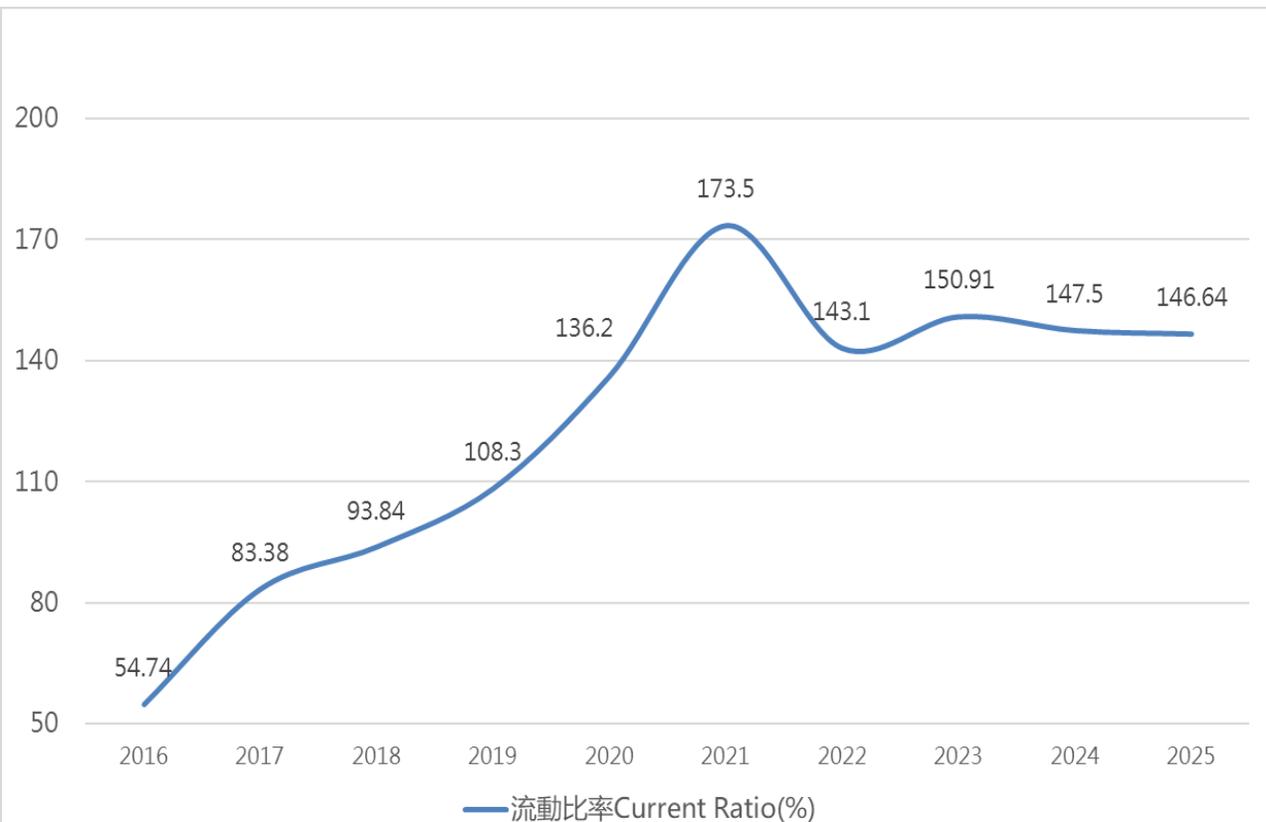


Financial Performance

Debt Ratio & Net Worth



Current Ratio



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ESG Performance

- Followed the TCFD framework to conduct climate-related financial disclosures.
- Reduced total greenhouse gas emissions by 7% compared to the baseline year of 2018.
- Discontinued the usage of hydrazine (toxic substance).

- No environmental fines for five consecutive years.

- Zero major occupational safety incidents.
- Reached 431 participants in community volunteer service.
- Implemented Forklift Active Safety Detection System.
- Adopted plants and landscape maintenance in Air Quality Improvement Zones.

- Decreased the number of high-risk health issue employees by 77%.

- Received Golden award for Corporate Sustainability Report from Taiwan Corporate Sustainability Awards.
- Scaled the second tier (6%~20%) of Corporate Governance Evaluation.
- Certified by ISO 27001 Information Security Management System.

- Implemented the TIPS intellectual property management system.

Q&A



ESG Report



CHS Financial Report



THANK YOU!