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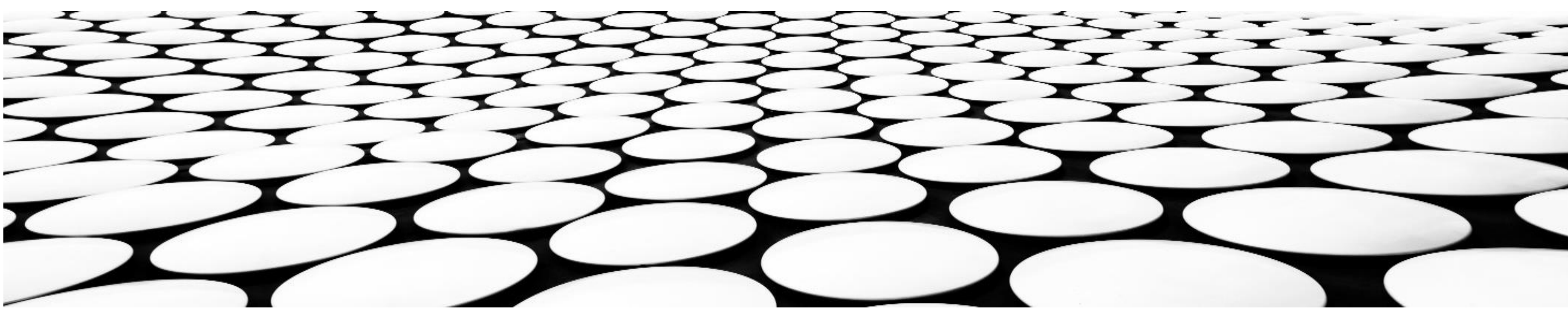
Mayer Steel Pipe Corporation

Investor Conference

2022.12.21

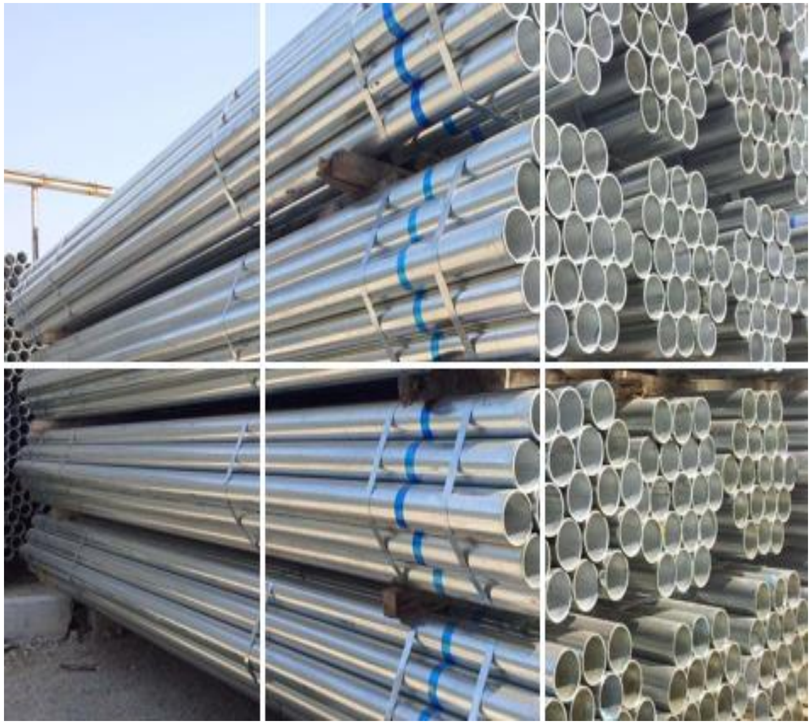


Outline：

Business Outlook

Operational Overview

Financial Overview



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

Business Outlook

The external competitive environment, regulatory environment, and general economic environment

1. The global inflation remains high, which leads to a sharp rise of interest rates and a competitive devaluation of exchange rates against the U.S. dollar.
2. The continuing stagnation of the war between Ukraine and Russia has a great impact on the prices of energy and raw materials.
3. China adheres to the dynamic zero infection policy, reflecting the increase of variables in China and the global economy.
4. Climate change issues are getting increasing attention and the importance of carbon neutrality (energy conservation and carbon reduction) is increasing.
5. There is an overcapacity in the global steel industry, but the recent economic downturn has slowed demand and led to a decline in steel prices.
6. The industry and its upstream generally believe that a turning point has been reached or is not far away and the economy is expected to recover before or after the second quarter of next year.

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Operation Overview

Sales volume in the last two years：

Unit : Ton / NTD Thousand

Year / Department	2022 Q1-Q3				2021 Q1-Q3				2021				2020			
	Domestic Sales		Export Sales		Domestic Sales		Export Sales		Domestic Sales		Export Sales		Domestic Sales		Export Sales	
	Sales volume	Sales value	Sales volume	Sales value	Sales volume	Sales value	Sales volume	Sales value	Sales volume	Sales value	Sales volume	Sales value	Sales volume	Sales value	Sales volume	Sales value
Steel	80,457	4,522,600	8,969	376,910	93,753	4,457,198	11,489	419,303	120,278	5,973,686	14,464	541,514	119,671	4,719,596	11,128	310,559
Investment	1,507				2,720				2,720				3,961			
Hotel service	38,279				23,424				40,698				39,651			
Total	4,939,296				4,902,645				6,558,618				5,073,767			

Operation Overview

Sales region of major commodities：

Region	2022/1/1 To 2022/9/30		2021/1/1 To 2021/9/30		2021		2020	
	Net sales (NTD Thousand)	Proportion (%)	Net sales (NTD Thousand)	Proportion (%)	Net sales (NTD Thousand)	Proportion (%)	Net sales (NTD Thousand)	Proportion (%)
Taiwan	4,562,254	92.37	4,492,016	91.62	6,027,298	91.90	4,771,680	94.05
Vietnam	243,325	4.93	246,166	5.02	314,340	4.79	191,517	3.77
Thailand	102,628	2.08	130,227	2.66	172,489	2.63	73,539	1.45
Other	31,079	0.62	34,236	0.70	44,491	0.68	37,031	0.73
Total	4,939,296	100	4,902,645	100	6,558,618	100	5,073,767	100

Operation Overview

Main Business Locations

Operation Overview

Future Market Development

Carbon Steel Products

01 The cost of raw materials has gradually stabilized.

02 The demand for construction-related pipes is expected to grow steadily.

03 The demand for steel pipes for automobiles, locomotive and mechanical structures is still conservative in the short term.

Operation Overview

Future Market Development

Stainless Steel Products

01 The cost of raw materials is still volatile and it is more difficult to predict the trend.

02 Due to the impact of a sudden decrease in export orders from steel mills and industry peers, the domestic market sales are squeezed.

03 The supply and demand of the overall industry are unbalanced and changes in business results are difficult to predict.

Operation Overview

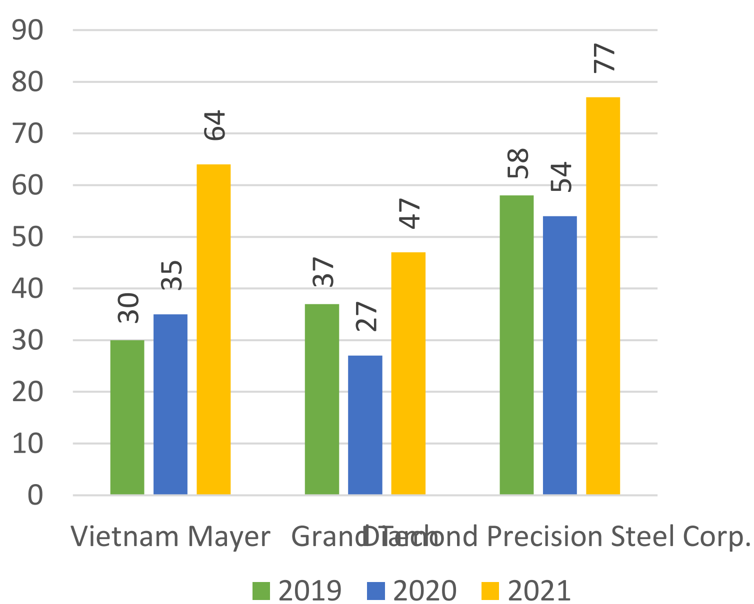
Overseas business development：

	2022 Q1-Q3		2021 Q1-Q3		2021		2020	
	Sales volume (Ton)	Sales value (Thousand)	Sales volume (Ton)	Sales value (Thousand)	Sales volume (Ton)	Sales value (Thousand)	Sales volume (Ton)	Sales value (Thousand)
Vietnam Mayer	5,925	257,897	7,482	273,113	9,332	350,154	7,952	219,041
Grand Tech	5,878	356,999	6,278	349,115	8,094	454,022	6,539	359,300
Diamond Steel Tube	10,468	632,197	9,645	516,807	12,698	698,600	10,112	469,167

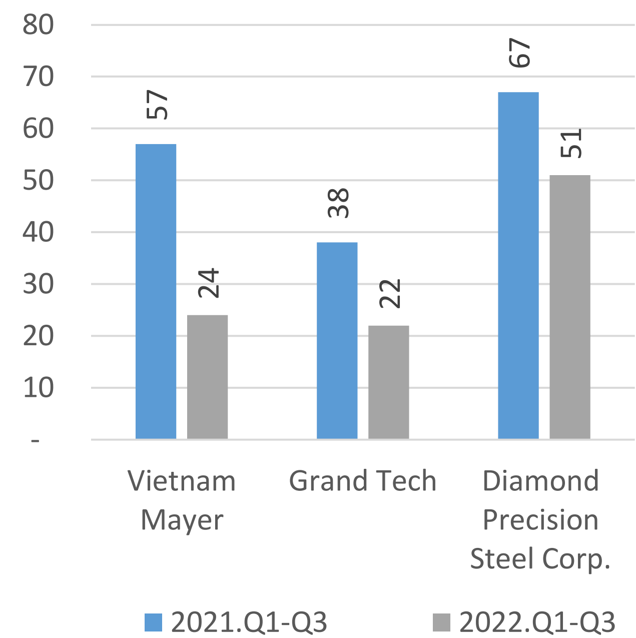
Operation Overview

Overseas business development:

Investment income recognized by Mayer Steel Pipe Corporation (Year/NTD million)



Investment income recognized by Mayer Steel Pipe Corporation (Quarterly /NTD million)



ESG work report

Environmental

Active energy saving: energy saving through light sources, air compressor systems and energy consumption equipment transformation.
Green energy power generation: the Company set up its own PV electric field for power generation and 414 kW of power generation capacity is planned to be added in 2023.
Emission inventory: the "Sustainable Development Roadmap" is implemented in stages to start the company-wide greenhouse gas inventory.

Social

Concern about human rights, gender equality and community relations.
Attention to labor relations through occupational safety and health rules.

Governance

Complying with the government's guidance to actively improve corporate governance performance, achieving upgrades in assessment results for 2 consecutive years.
Preparing a sustainable report, understanding stakeholders to establish a competitive environment for the Company and driving the completion of company goals.

Social Responsibility—Promoting Green Energy

In line with policies and social responsibilities, we have built PV power generators on the roofs of our plants.

Year	2019	2020	2021	2022	2023	Total
Estimated Capacity Installed (kW)	962	-	-	-	413.66	1,376
Actual Capacity Installed(kW)	962	-	-	-	-	962
Electricity Output (kwh)	801,540	1,070,596	1,023,956	950,404	-	3,846,496

As of Nov. 2022, the accumulated electricity output of solar power in CSC group reached 3,846,496 kwh. Revenues from electricity sales reached 20,209 thousand. Carbon reduction reached 1,958 tons, equivalent to the CO2 absorption of 5 Taipei Daan Park.

* (Estimated based on the 2021 Taipower electricity carbon emission factor, 0.509 kg CO2e/kwh)

Financial Overview

Consolidated Balance Sheet and Key Financial Indicators

Unit : Ton / NTD Thousand

ITEMS	2022/9/30	2021/9/30	2021/12/31	2020/12/31
Current Assets	4,123,507	4,761,393	4,896,581	3,714,930
Total Assets	7,520,349	7,842,929	8,131,835	6,777,379
Current Liabilities	3,428,049	3,281,339	3,540,286	2,582,824
Total Liabilities	4,371,975	4,263,855	4,507,546	3,633,024
Equity attributable to Owners of the Company	3,144,684	3,574,583	3,620,812	3,138,352
Total Equity	3,148,374	3,579,074	3,624,289	3,144,355
Key Financial Indicators :				
gross margin(%)	6.11	14.30	13.06	9.67
OPERATING PROFIT MARGIN(%)	3.41	9.47	7.97	5.27
Net benefit rate after tax (%)	4.02	14.13	11.87	7.73
Return on Total Assets (%)	2.54	9.48	10.97	6.59
Rate of Return on Stock Equity (%)	5.87	20.60	23.00	12.50
Net value per share	14.13	16.06	16.27	14.10

Financial Overview

Statement of Comprehensive Income (Consolidated)

Unit : Ton / NTD Thousand

ITEMS	2022/1/1 to 2022/9/30	2021/1/1 to 2021/9/30	2021	2020
Operating Revenue	4,939,296	4,902,645	6,558,618	5,073,767
Gross Profit (Loss) from Operations	301,820	701,046	856,820	490,405
Net Operating Income (Loss)	168,657	464,299	522,641	267,460
Non-Operating Income and Expenses	86,855	345,858	383,533	178,471
Profit (Loss) from Continuing Operations	198,781	692,669	778,503	392,144
Earnings Per Share (in NTD per share)	0.89	3.12	3.52	1.76

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Thank You !