



ITEM 5: LATEST DEVELOPMENTS IN STEELMAKING CAPACITY

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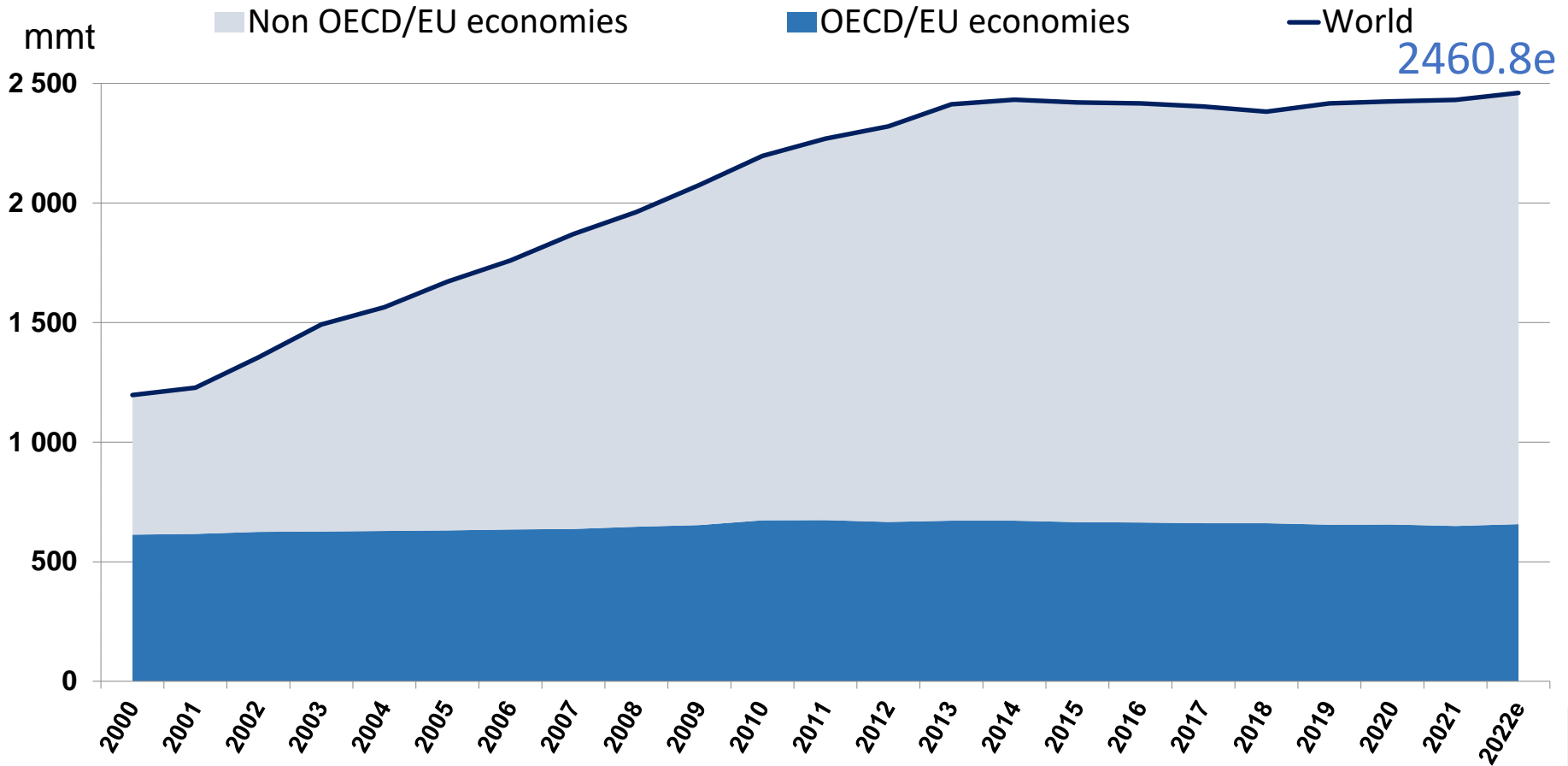


1. Important takeaways from the capacity paper

- Current situation of the global crude steelmaking capacity
- Growth of steelmaking capacity by economy since 2016
- Main driver for capacity expansion in the future
- Technology of capacity expansion in the future
- Current situation of Chinese outward investment



2. Global steelmaking capacity could increase in 2022 for the fourth year in a row.



Source: OECD



3. Global steelmaking capacity is expected to increase in 2022 (1.2% growth from 2021) and over the next 3 years.

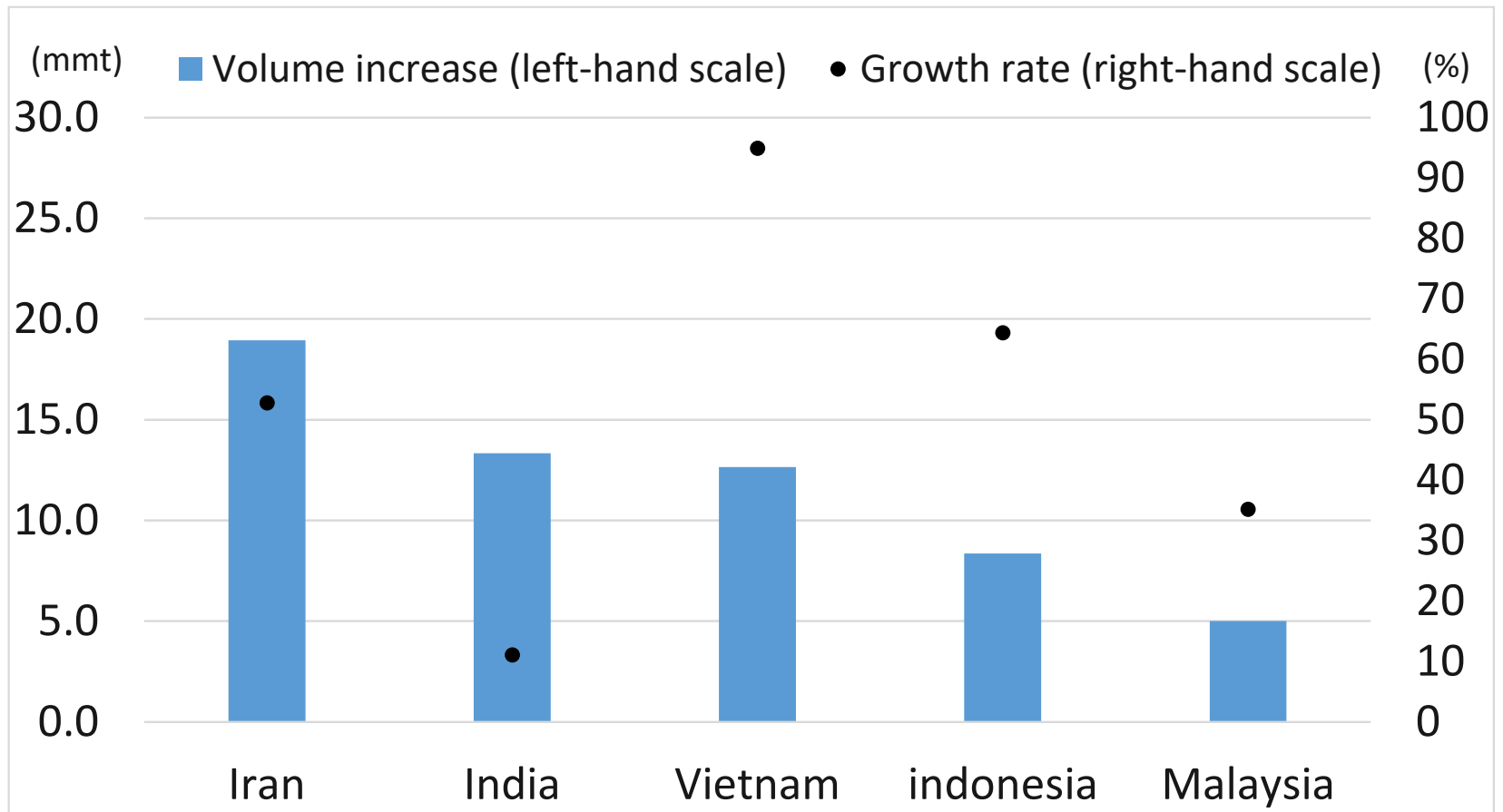
	Nominal capacity (mmt)	Nominal capacity (mmt)	% change expected	Potential gross capacity additions 2023-25 (mmt)		Capacity in 2025 (mmt)		% change expected (2022e vs 2025)	
	2021	2022e (A)	2022-2021	Underway (B)	Planned (C)	Low (A)+(B)	High (A)+(B)+(C)	Low	High
Africa	43.5	47.6	9.5	0.0	2.0	47.6	49.6	0.0	4.2
Asia	1622.6	1630.6	0.5	35.5	59.3	1666.0	1725.4	2.2	5.8
CIS	143.9	145.1	0.8	2.8	2.6	147.9	150.4	1.9	3.7
Europe	289.9	291.5	0.6	5.4	6.1	296.9	303.0	1.9	3.9
EU	213.4	214.8	0.7	0.0	6.1	214.8	220.9	0.0	2.8
Other Europe	76.5	76.7	0.2	5.4	0.0	82.1	82.1	7.0	7.0
Latin America	78.2	78.2	0.0	2.7	5.1	81.0	86.0	3.5	10.0
Middle East	89.0	97.6	9.7	5.2	5.7	102.8	108.5	5.3	11.1
North America	157.7	163.8	3.9	2.0	10.1	165.8	175.8	1.2	7.3
Oceania	6.4	6.4	0.0	0.0	0.0	6.4	6.4	0.0	0.0
OECD/EU economies Total	649.6	657.4	1.2	7.4	16.9	664.7	681.6	1.1	3.7
non-OECD/EU economies Total	1781.6	1803.4	1.2	46.2	73.9	1849.6	1923.5	2.6	6.7
World Total	2431.3	2460.8	1.2	53.5	90.8	2514.3	2605.1	2.2	5.9

Notes: Capacity data reflect information available to June 2022.

Source: OECD



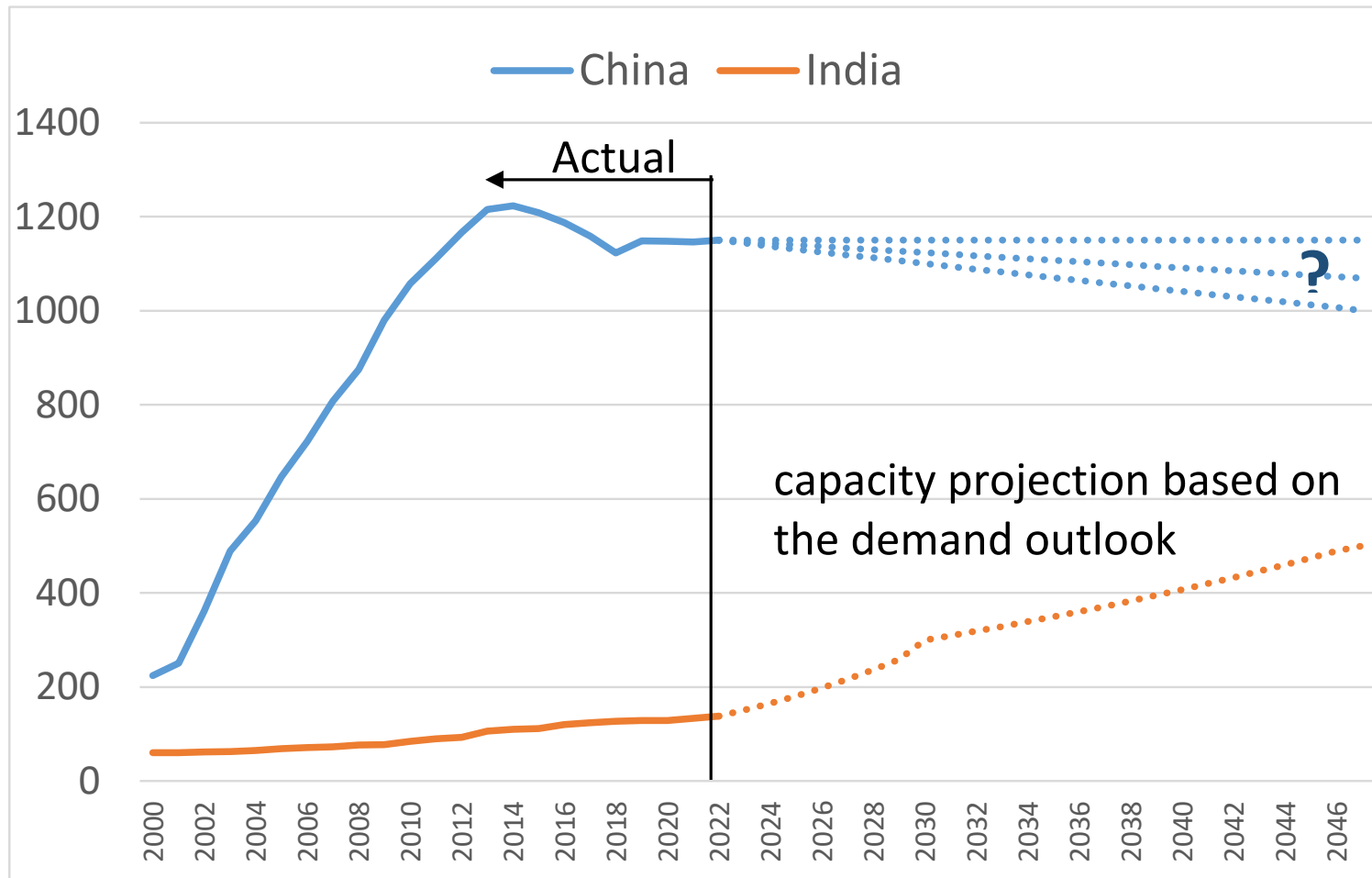
4. Global steelmaking capacity expansion led by Asia and the Middle East over the last five years.



Source: OECD



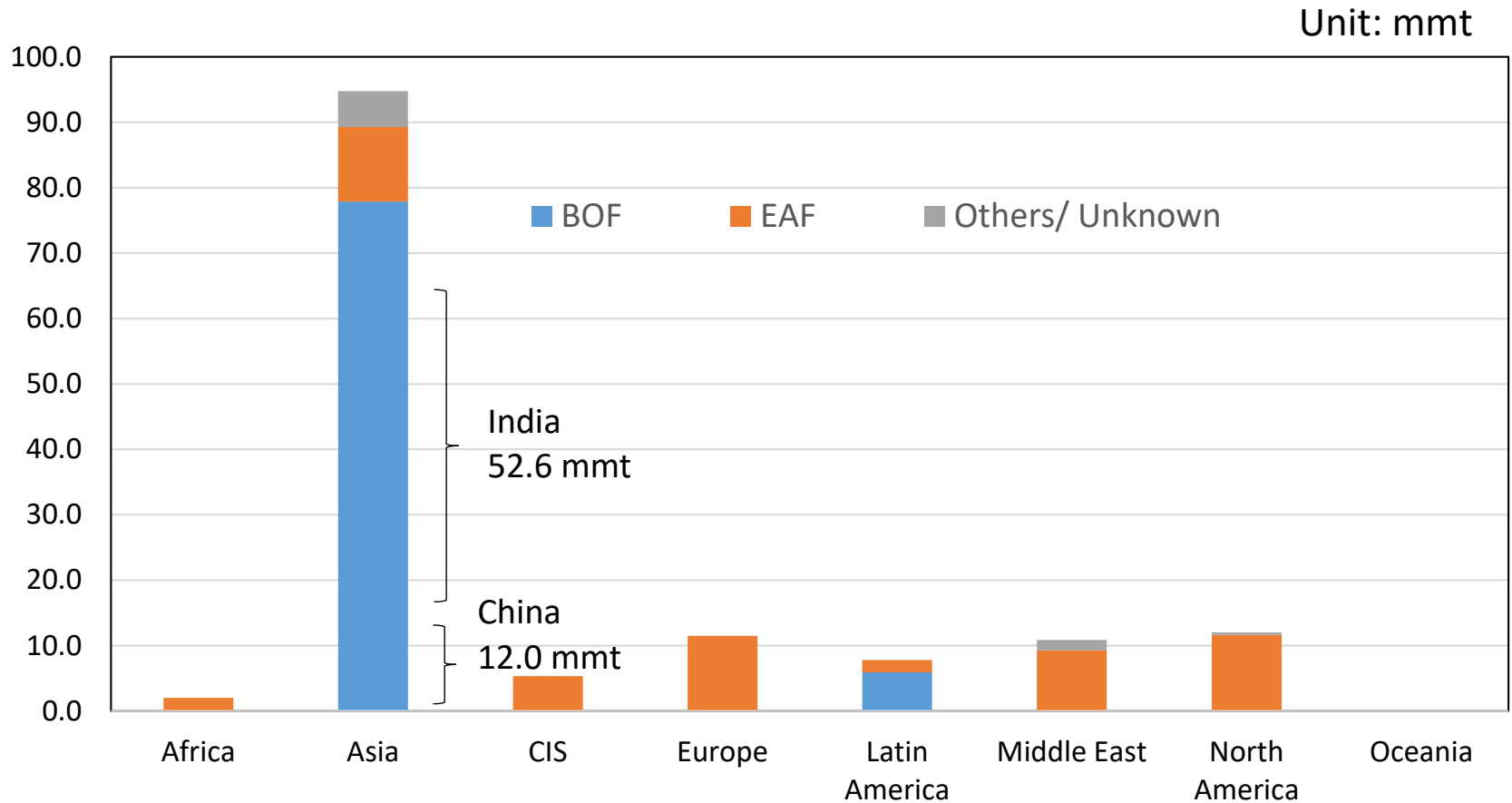
5. The main driver for capacity expansion is shifting from China to India in the long term.



Source: OECD, Ministry of steel in India



6. Over 75% projects are expected to operate as BOF facilities in Asia and Latin America.



Note: The capacity data contains both for underway and planned projects, and does not take into account closures that may occur during the period.

Source: OECD



7. China's steel industry is moving forward with outward investment.

ECONOMIES	COMPANY	OWNER (ECONOMIES)	EQUIPMENT	CAPACITY	STATUS	START
Egypt	Xin Feng Resources Recycling Investment Holdings	Xin Feng Resources Recycling Investment Holdings (China) Chengdu Building Material Institute (China)	EAF	2000	plan	N.A.
Kenya	Sinosteel	Sinosteel (China)	Steelmaking	1000	plan	N.A.
Zimbabwe	Tsingshan Holding Group	Tsingshan Holding Group (China)	EAF	1200	underway	2022
Zimbabwe	Tsingshan Holding Group	Tsingshan Holding Group (China)	EAF	1000	plan	N.A.
Indonesia	Dexin Steel Indonesia	Delong Holdings (China)/ Shanghai Decent Group (China)/ PT. Indonesia Morowali Industrial Park (Indonesia)	BOF	2500	plan	N.A.
Indonesia	PT Gunung Raja Paksi	Gunung Steel Group (Indonesia) Nanjing Iron & Steel (China)	EAF	500	plan	N.A.
Indonesia	Fuhai Group & Ansteel Group	Fuhai Group (China)/ Ansteel Group (China)	Steelmaking	1750	plan	N.A.
Indonesia	Hebel Bishi Steel Group	Hebel Bishi Steel Group (China)/ PT Sefer Kawasan Industry (Indonesia)	Steelmaking	3000	plan	N.A.
Indonesia	PT Gunung Raja Paksi	Gunung Steel Group (GSG) (Indonesia)/ Shenwu Technology Corp (China)	Steelmaking	3000	plan	N.A.
Cambodia	Xinjiang Bayi Nanjiang Steel Baicheng Co Ltd-Aksu	Baowu Steel Group Corporation (China)	BOF	3100	plan	N.A.
Myanmar	Kunming Steel	Kunming Iron and Steel Group Company (KISC) (China)	BOF	4000	plan	N.A.
Malaysia	Eastern Steel Sdn Bhd	Hip Teck Venture (HYVB) (Malaysia)/ Orient Steel Investment (China) Chinaco Investment (China)	Steelmaking	1300	plan	N.A.
Malaysia	Sarawak Iron and Steel	Hebei Xinwu Steel Group (China)/ MCC Overseas Ltd (China)	BOF	10000	underway	2024
Philippines	Philippine Iron and Steel Project	SteelAsia Manufacturing (Philippines)/ HBIS (China)/ Huili Investment Fund Management Co.,Ltd (China)	Steelmaking	4500	plan	2023
Philippines	Philippine Iron and Steel Project	SteelAsia Manufacturing (Philippines)/ HBIS (China)/ Huili Investment Fund Management Co.,Ltd (China)	Steelmaking	3500	plan	2026
Philippines	SteelAsia Manufacturing Corporation	SteelAsia Manufacturing (Philippines)/ HBIS (China)	EAF	500	underway	2024
Viet Nam	Viet - Trung Metallurgy Company	Vietnam Steel Corporation (Viet Nam)/ Lao Cai Minerals Company (LAMICO) (Viet Nam)/ Kunming Iron and Steel Corporation (China)	BOF	500	plan	N.A.
Pakistan	Century Steel	Fuzhou Julitaihe International Company (China)	Steelmaking	500	underway	N.A.

Source: OECD



Thank you for your attention