Lucky Cement Corporation
Earnings Call
November 11, 2021

Disclaimer

This presentation is based on our audited or reviewed financial statements, which have been prepared in accordance with IFRS reporting standards. For complete details and data, please refer to the Company's financial statements.

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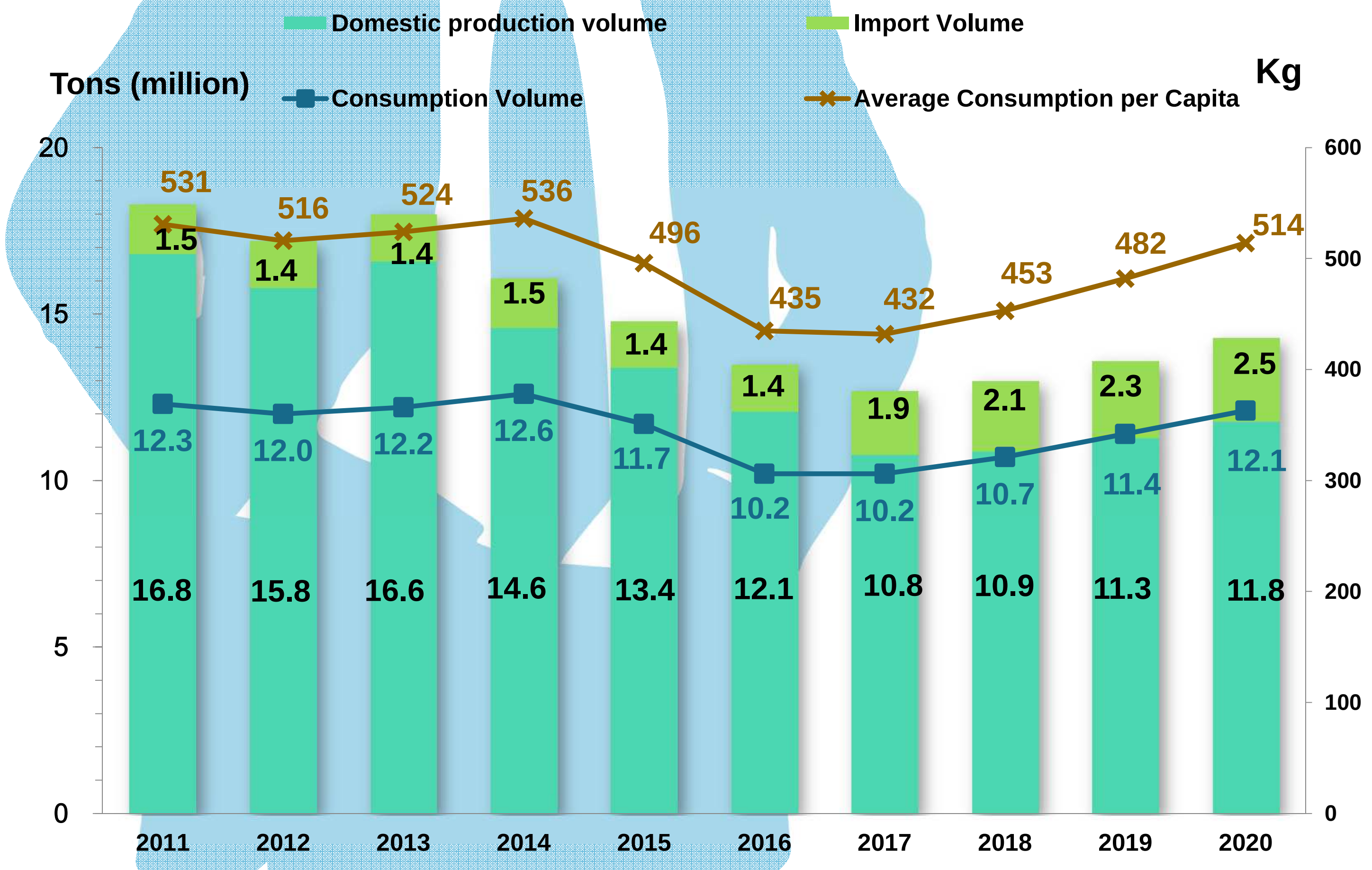
The Story of the Logo

The founder, Mr. Chen Liang-Chuan, started his nascent career in construction, hoping that every young person who wanted to start a family could own a house and feel warm and happy in life. Therefore, to produce high quality and reasonably priced cement for sturdy houses is Mr. Chen's lifelong ambition and goal.

Table of Contents

Overview of Cement Supply and Demand in Taiwan



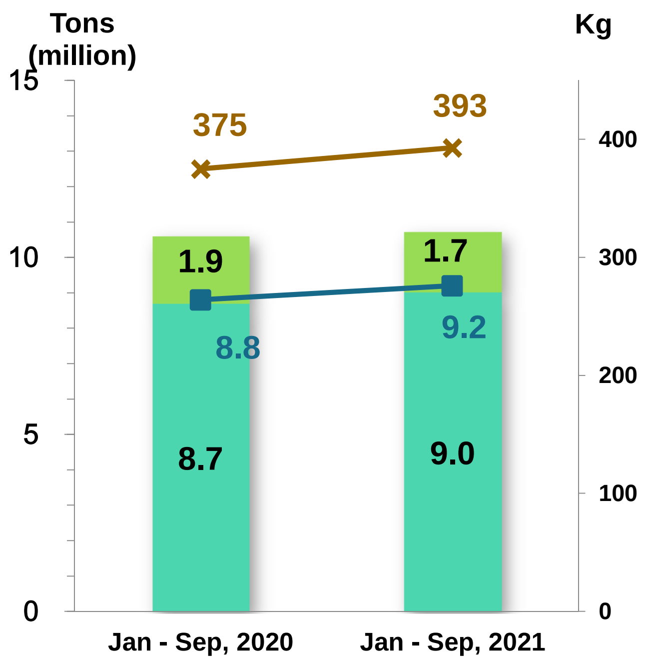
Jan-Sep 2021 vs. Jan-Sep 2020

Domestic cement consumption increased by 4.55% YoY

Per capita volume increased by 4.8%

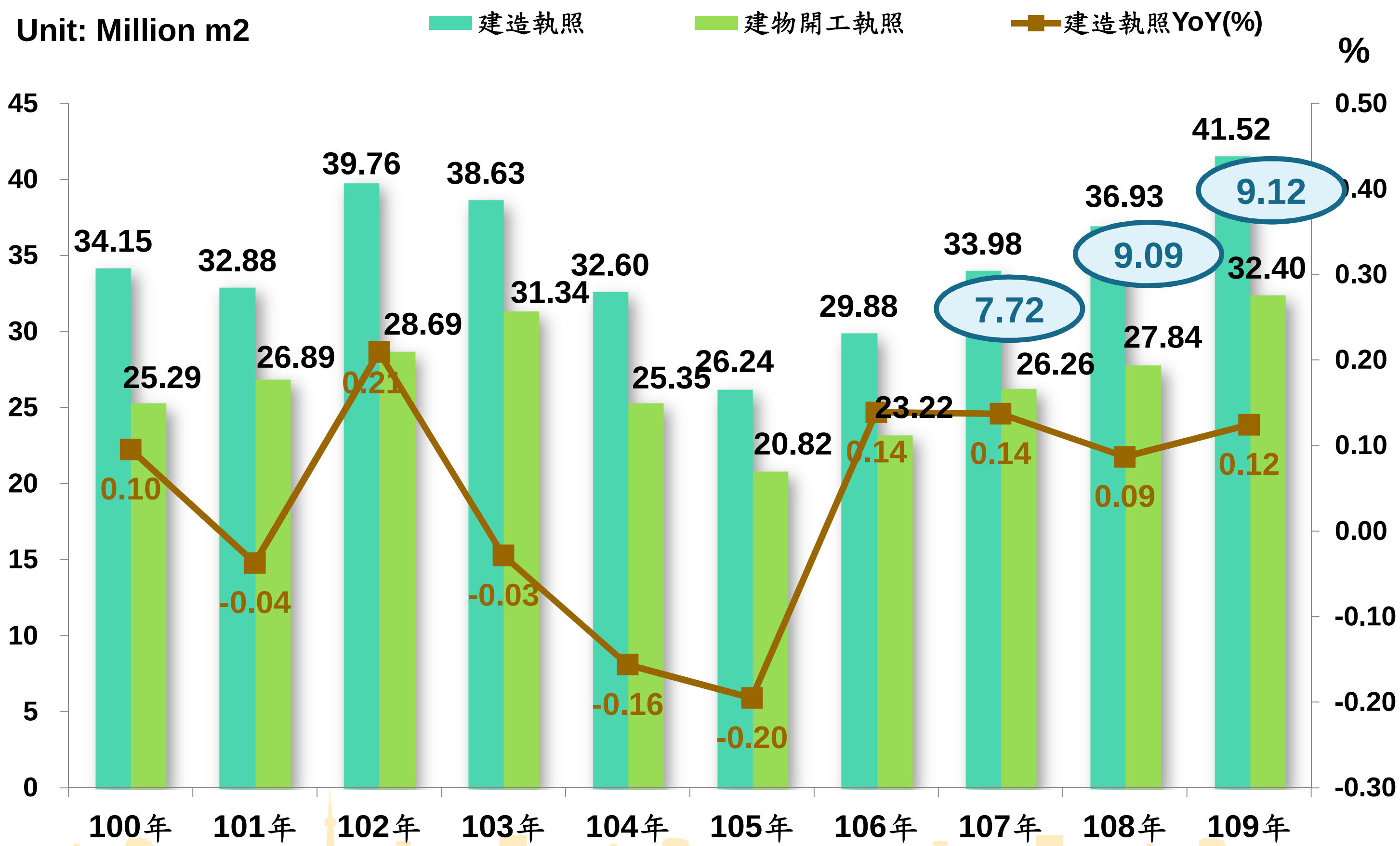
Domestic cement production increased by 3.45%

Imported cement decreased by 10.53%



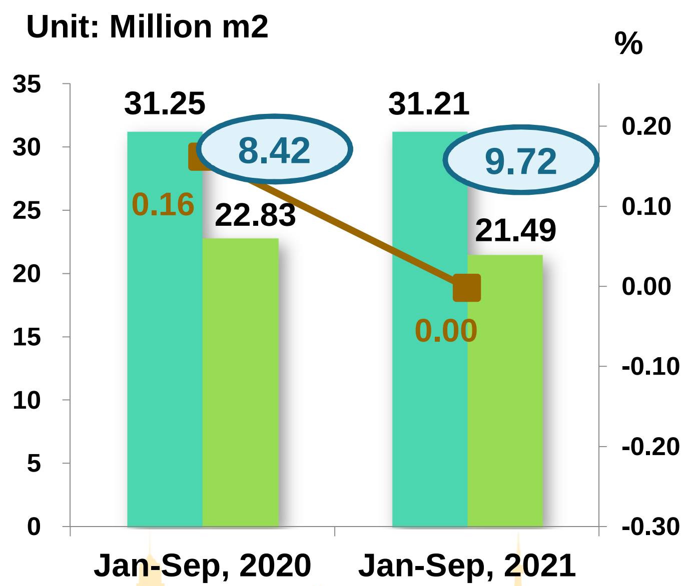
Source: Taiwan Cement Manufacturers' Association

Building Construction Licenses and Construction Commencement Total Floor Area Statistics



Jan-Sep 2021 vs. Jan-Sep 2020

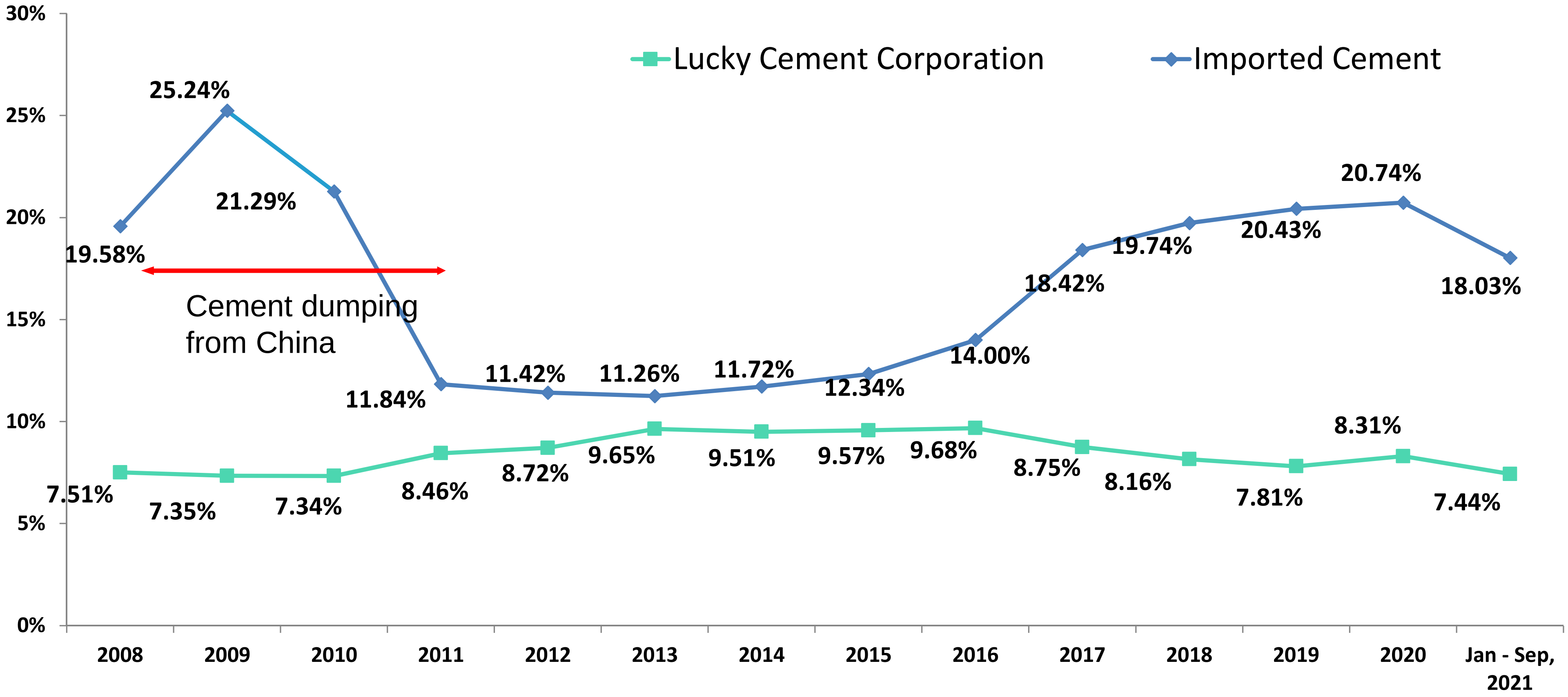
- Gross floor area for building licenses
  Annual growth rate decreased by 0.013%



Source: Construction and Planning Agency, Ministry of the Interior

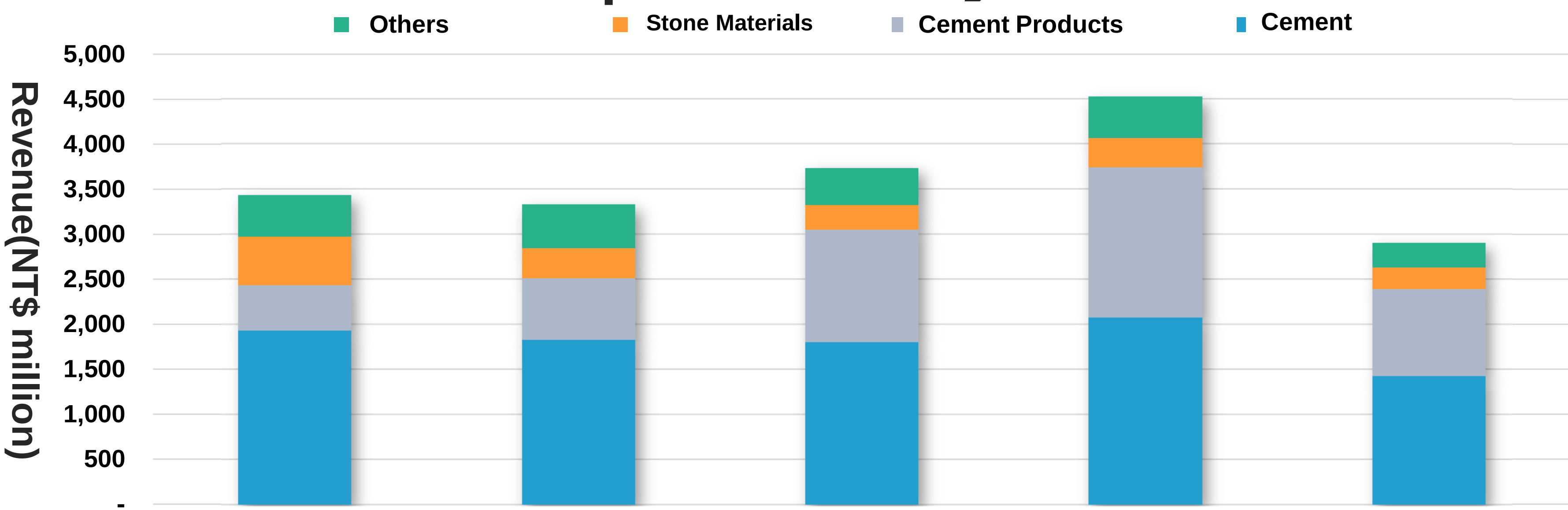
Table of Contents

Cement Market Share



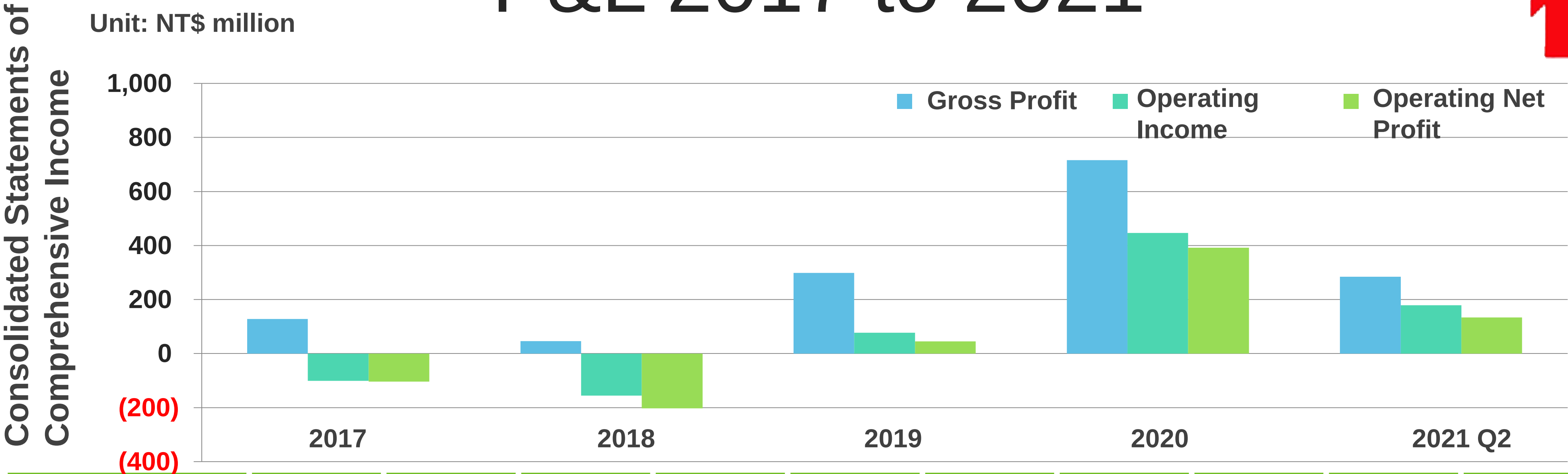
Source: Taiwan Cement Manufacturers' Association

The Company's revenue by product for the past five years



Year	2017	%	2018	%	2019	%	2020	%	Jan - Sep, 2021	%
Cement	1,933	56	1,826	55	1,805	48	2,074	46	1,426	49
Cement Products	506	15	689	21	1,243	33	1,669	37	971	33
Stone Materials	534	16	328	10	282	8	323	7	239	9
Others	461	13	488	14	402	11	464	10	269	9
Total	3,434	100	3,331	100	3,732	100	4,530	100	2,905	100

P&L 2017 to 2021



	2017	%	2018	%	2019	%	2020	%	2021 Q2	%
Revenue (in NT$ million)	3,434	100	3,331	100	3,732	100	4,530	100	2,074	100
Gross Profit (in NT$ million)	129	4	47	1	299	8	717	16	285	14
Operating Income (in NT$ million)	(100)	(3)	(155)	(5)	78	2	447	10	179	8
Operating Net Profit (in million)	(103)	(3)	(202)	(6)	46	1	392	9	134	6
EPS (NT$)	(0.25)		(0.44)		0.11		0.97		0.33	

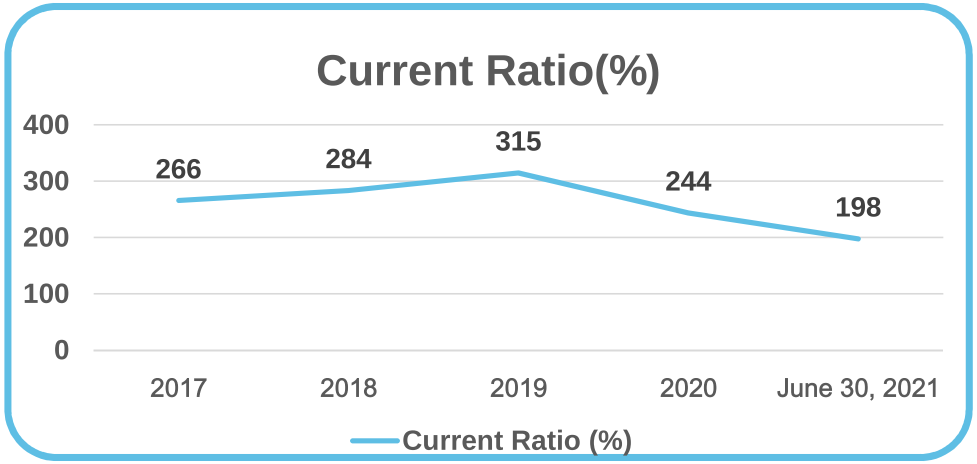
Balance Sheet 2017 to 2021

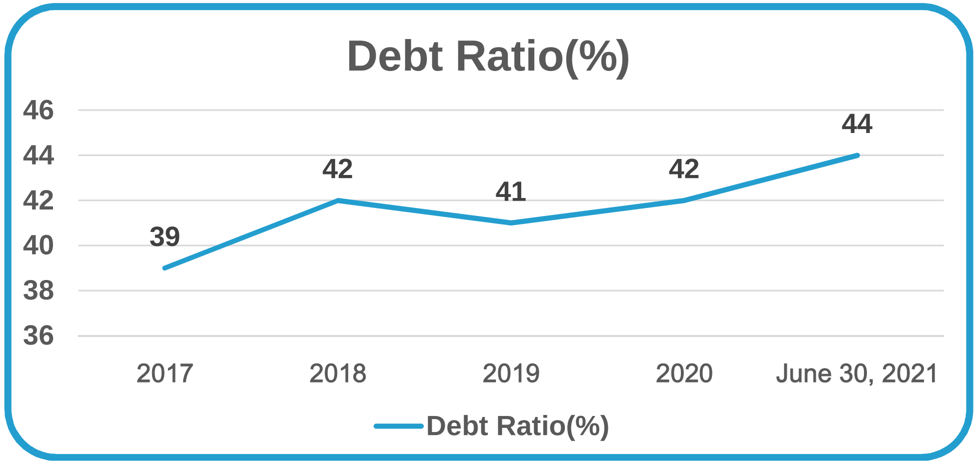
Consolidated Statements of Comprehensive Income

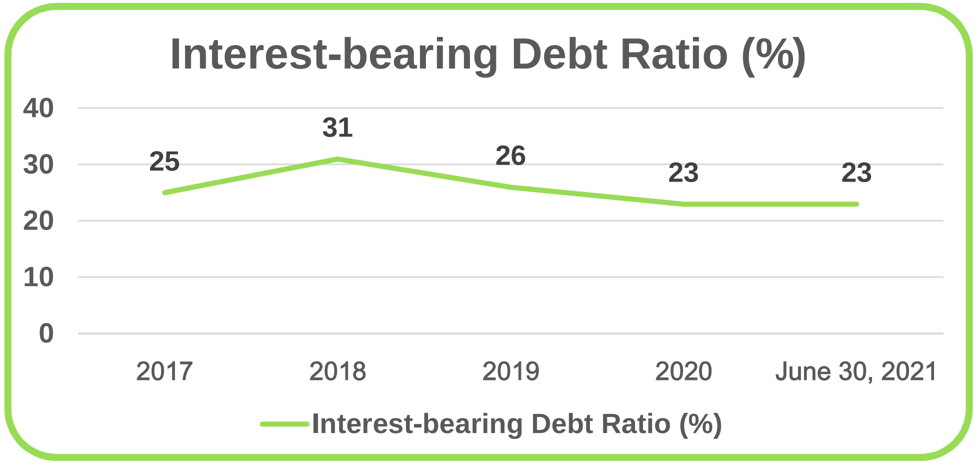
Unit:NT$ million

	2017	%	2018	%	2019	%	2020	%	2021 June 30	%
Current Assets	**5,121**	**71%**	**4,939**	**68%**	**5,087**	**69%**	**5,259**	**66%**	**5,060**	**63%**
Property, Plant and Equipment	1,649	23%	1,877	26%	1,712	23%	2,223	28%	2,248	28%
Other Assets	467	6%	478	7%	530	7%	545	7%	718	9%
Total Assets	**7,237**	**100%**	**7,293**	**100%**	**7,329**	**100%**	**8,027**	**100%**	**8,026**	**100%**
Current Liabilities	1,925	27%	1,736	24%	1,617	22%	2,151	27%	2,551	32%
Non-current Liabilities	883	12%	1,330	18%	1,391	19%	1,219	15%	950	12%
Total Liabilities	**2,808**	**39%**	**3,066**	**42%**	**3,008**	**41%**	**3,370**	**42%**	**3,501**	**44%**
Shareholders' Equity	4,429	61%	4,227	58%	4,321	59%	4,657	58%	4,525	56%

Financial Ratios and Book Value Per Share







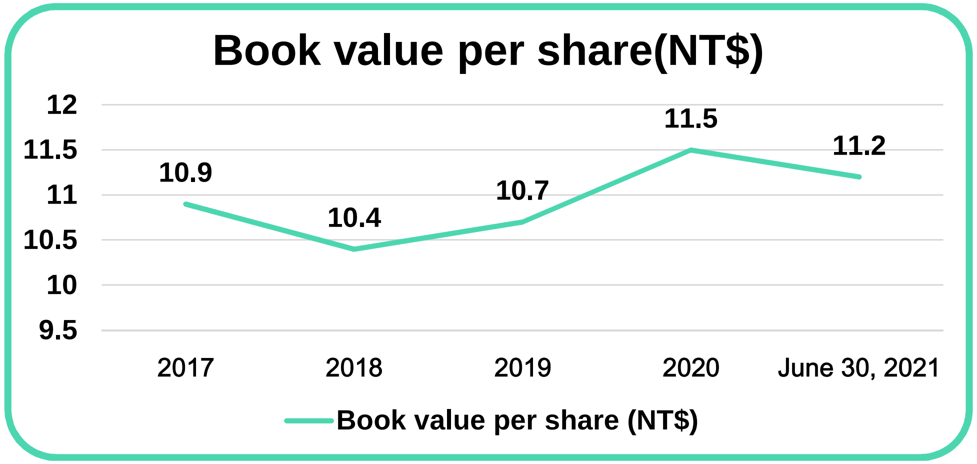


Table of Contents

Business Sustainability

Focus on our main business

Logistics Optimization
Channel Deployment
“The Midas Touch” Technical
Greenhouse gas reduction planning

ESG

Environmental Protection
Carbon Reduction Roadmap
Circular Economy
Social Philanthropy
Corporate Governance

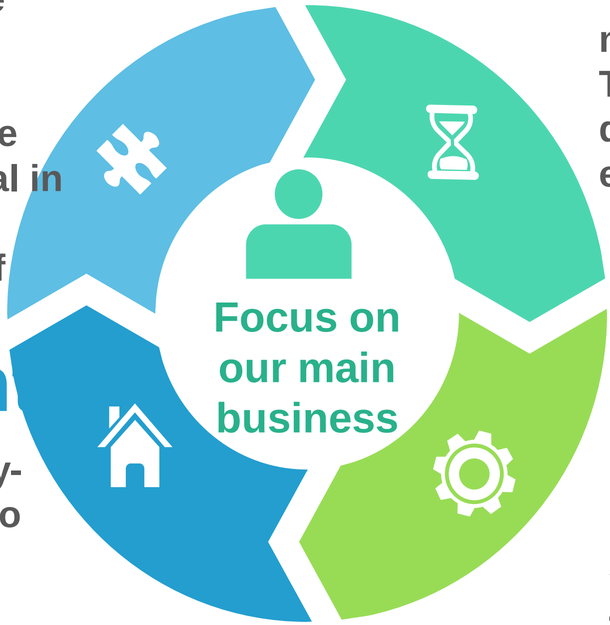
Industry Dedication

Logistics Optimization

1. In Q3 2021, the Company completed the refurbishment of 128 cement and stone trucks.
2. Purchased 40 new stone trucks, with the first sample truck being put on pilot trial in August 2021, and the whole project is expected to be completed by the end of 2022.

Channel Deployment

1. In January 2021, our leased Xinfu Ready-Mixed concrete Sanxia Plant was put into operation.
2. In March 2021, the construction permit application for our new Xinfu Ready-Mixed Concrete Shulin Plant was submitted for approval, production expected to commence in Q4, 2022. 。



"The Midas Touch"

The He-Ren mine is the largest manufactured sand production plant in Taiwan, and production and development are done through direct shaft feed to protect the environment.

Enhance production process technologies

1. Raw material substitution
2. Fuel substitution
3. Process improvement
4. Lighting improvement
5. Fuel consumption control
6. Renewable Energy
7. Tree planting and greening to reduce carbon emissions

ESG

- Energy Conservation
  Goal: 1% annual energy savings
- Water Resources
  The Company achieved the target of recycling more than 80% of water from the washing platform every year, and the recycling rate of water from the washing platform reached 96% in FY2020.
- Planting and Greening
  11.229 hectares of greenery planted at the He Ren Mine.

Environmental Protection

Carbon Reduction Roadmap

- Enhance production processes and technologies to reduce energy consumption by cement production units.
- Substitution of raw materials
- Alternative Fuels
- Improve clinker quality and reduce clinker coefficient of cement
- Development of Renewable Energy

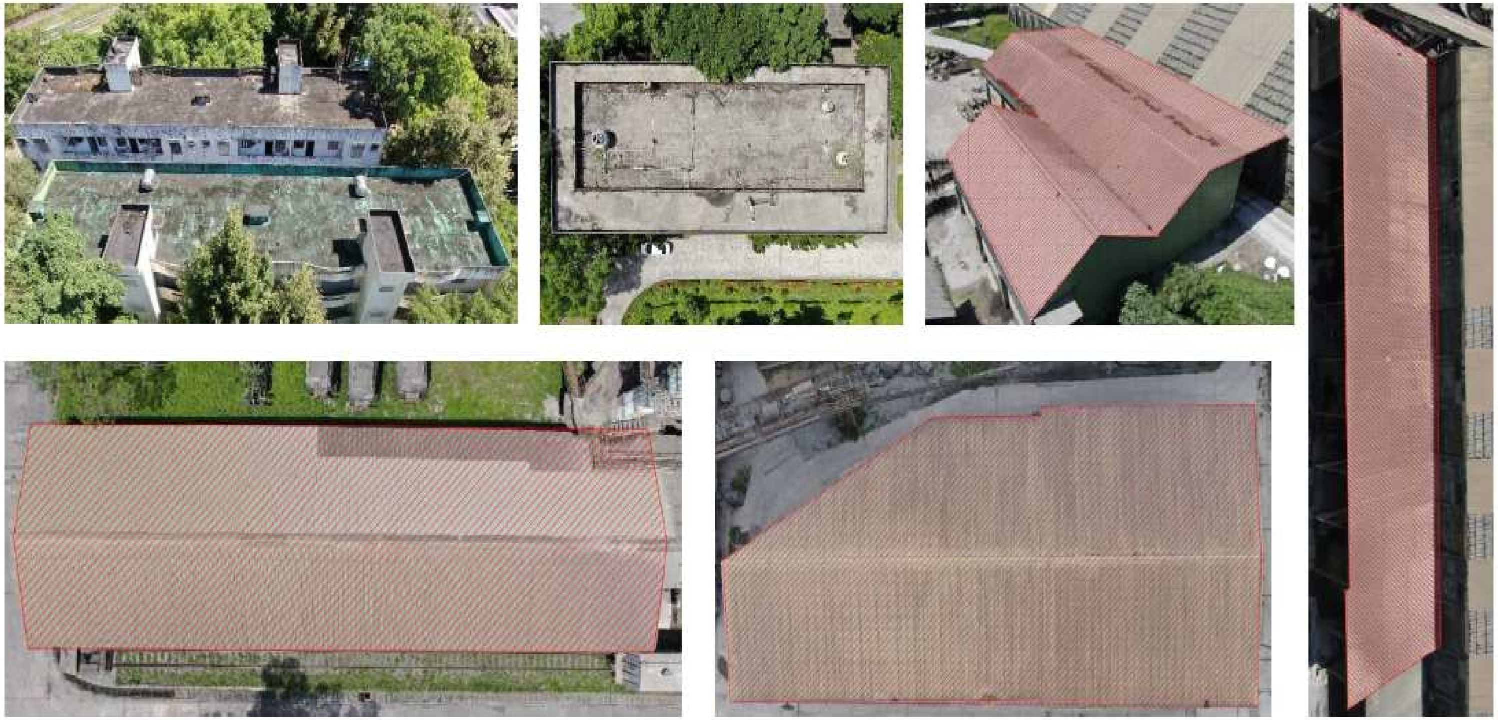
CO2 Emission Reduction from Energy Efficiency Measures in FY2020

Reduction Measures	Electricity Savings (kWh)	Electricity Discharge Coefficient	CO2 reduction (tons)	Coal saving (tons)	Customized Coefficients	CO2 reduction (tons)	Total (tons)
1.#2 Coal-milled lining boards	505,890	0.509	257.5	-	-	-	13,717.58
2. Packaging Room changed legacy equipment to DC inverter air compressor	105,000	0.509	53.4	-	-	-	
3. Clinker grinder refurbishment	267,300	0.509	136.1	-	-	-	
4. Non-hazardous oil sludge and waste oil mixture Alternative fuels	-	-	-	2,926	2.554	7,473.00	
5. Organic sludge as an alternative fuel source	-	-	-	2,270	2.554	5,797.58	
	878,190	-	447.0	5,196	-	13,270.58	

Total 13,717.58 (tons) CO2 = equivalent to 1,143,130 tree emissions reduction

Renewable energy (solar power)

Solar power generation equipment will be installed on the other suitable locations for use at Dong'ao plant rather than Dong'ao plant and the roof of dormitories.



Current situation of the plant/additional corrugated sheets area
Area covered is about 5,365 m2

Circular Economy

Raw material preparation

Alternative raw materials:
Construction waste soil, recycled granules, incineration slag, coal ash, bottom ash, waste foundry sand, inorganic sludge, calcium fluoride sludge, general fly ash, general business waste.

➤ Alternative raw materials totaled 194,987 tons in FY2020

Clinker Formation

Alternative fuels:
Organic sludge, waste oil mixture, non-hazardous oil sludge, waste fiber, waste wood.

➤ Alternative fuels totaled 13,671 tons in FY2020

Cement production

Gypsum:
Desulfurization gypsum, chemically derived gypsum, ground-granulated blast-furnace slag, fly ash.

ESG

Social Philanthropy

- Community Care and Outreach
  (1)Emergency assistance for villagers
  (2)Senior-friendly Canteen
  (3)Road maintenance
  (4)Community environmental cleaning
  (5)Beach cleanups
- Humanities Education and Culture
  (1)Scholarships
  (2)Sponsorship of various school activities
  (Sports Day, archery team training)
  (3)Indigenous cultural performances outside the county
  (Indigenous dance)
  (4) Atayal Flying Fish Season Activities
- Care for the Indigenous Community
  Increasing employment opportunities for indigenous people

Corporate Governance

- Head of Corporate Governance appointed in June 2021
- Nominating Committee established in June 2021
- On May 2021, the CSR Committee was renamed the Corporate Sustainability Committee and the CSR Report was renamed the Corporate Sustainability Report.
- TOP21%-35% in Corporate Governance Evaluation on 2020
- Corporate Social Responsibility Committee established in 2017
- Corporate Social Responsibility Report published since 2014

Social Philanthropy

ESG

Table of Contents

Keelung City Daitian Temple Phase I Private Sponsored Urban Land Readjustment Project

Estimated work progress

1
Cadastral survey implementation plan
Estimated work progress
2019/12
till 2021/11

2
Land Rezoning Project Completion Drawings submitted for review and acceptance
Estimated work progress
2021/12
till 2022/3

3
Allocation of results and handling of objections
Estimated work progress
2022/1
till 2022/2

4
Cadastral survey and registration
Estimated work progress
2022/3
till 2022/4

5
Land Transfer and Settlement
Estimated work progress
2022/4
till 2022/5

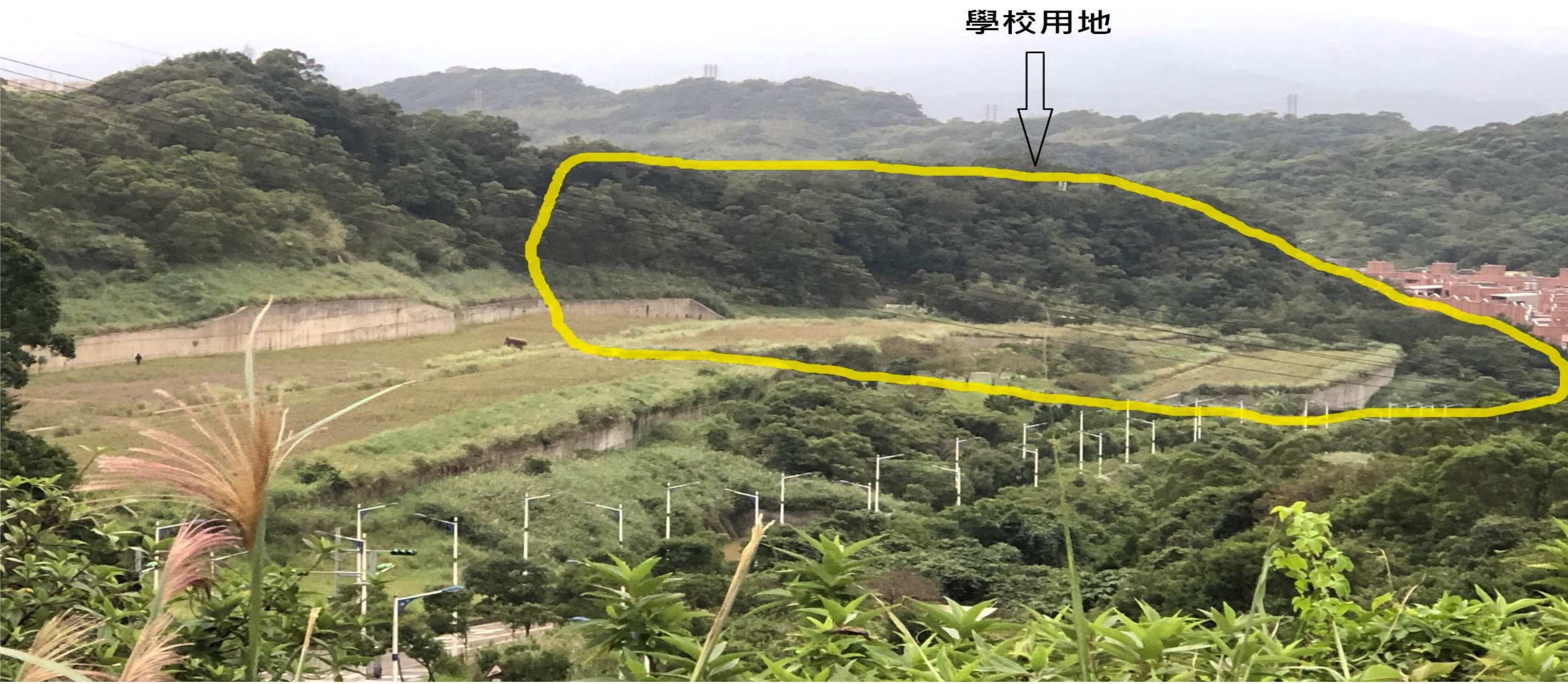
6
Certificate of Total Rezoning Costs for Application of Land Readjustment
Estimated work progress
2022/5
till 2022/6

7
Application for Construction Permit
Estimated work progress
2022/7

Keelung City Daitian Temple Phase 2 Private Sponsored Urban Land Readjustment Project

Estimated work progress

No.	Work item	Estimated work progress
1	Rezoning Project construction contracting, acceptance and maintenance	2019/1 till 2023/6
2	Cadastral survey implementation plan	2019/11 till 2023/12
3	Change of urban plan (School site adjustment)	2020/5 till 2022/12
4	Pre-and post-rezoning land valuation and assessment	2023/12 till 2023/6
5	Calculation of costs and allocation design	2024/1 till 2024/3
6	Announcement of allocation results and handling of objections	2024/3 till 2024/4
7	Cadastral survey and registration	2024/3 till 2024/4
8	Land Transfer and Settlement	2024/5 till 2024/6
9	Application for Construction Permit	2024/6
10	Certificate of Total Rezoning Costs for Application of Land Readjustment	2024/6 till 2024/7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Q & A

Thank you for your attention