

**HANWA CO., LTD.**

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March 30, 2020  
Hanwa Co., Ltd.

## **Notice about investment to joint venture for steel production in Indonesia**

Hanwa Co., Ltd. (hereinafter “Hanwa”) announced today its acquisition of 10% of the stock of PT Dexin Steel Indonesia(hereinafter Dexin), a steel blast furnace mill, located in Morowali, Central Sulawesi, Republic of Indonesia, a joint venture established by Delong Steel Group, China(hereinafter”Delong”),Shanghai Decent Investment(Group)Co.,Ltd, of Tsingshan Holdings Group(hereinafter “Tsingshan”) ,China, and Indonesia Morowali Industrial Park.

The first blast furnace mill succeeded in tapping on March 29, 2020.

### <Profile of PT DEXIN STEEL INDONESIA>

Location	: Central Sulawesi, Indonesia
Establishment	: August, 2017
Business details	: Blast furnace consistency normal steel production
Estimated production capacity:	3,500,000- tons per annum (estimation)
Products	: slab, billet, round bar, wire
Schedule of operation	: First blast furnace : March 2020 Second blast furnace: May 2020

<Factory of PT Dexin Steel Indonesia, located in Morowali, Central Sulawesi, Republic of Indonesia >



< The first blast furnace mill succeeded in tapping on March 29,2020 >



In the same industrial park, located in Morowali, Central Sulawesi, Tsingshan has another plant for producing Nickel Pig Iron, and hot rolled stainless steel, with capacity of three million tons per annum, and the other joint venture is going on, that will produce high purity nickel cobalt compounds of rechargeable batteries, in that Hanwa has also involved partly.

This project has advantage to utilize common infrastructure in the same industrial park, and it will cover the market of semi-finished steel, now imported about five to six million tons, and some portion may be exported. Hanwa aim to handle minimum one million tons of products, semi-finished steel, as well as supply of ferro alloy, and steel making raw materials.

This project has further plan to expand production capacity up to five million tons per annum.

Through these investments, Hanwa will expand supplying capacity in the rapidly developing market, aiming to contribute development of the region.

In medium term business plan, Hanwa is promoting strategy to create "a second Hanwa in Southeast Asia", these projects are expected to contribute part of the strategy.

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