

TA-YUAN COGENERATION CORP.

INVESTOR CONFERENCE

2021.08.20



大園汽電共生股份有限公司
TA-YUAN COGEN CO., LTD.

Presentation Content

1. Company Profile

2. Financial Summary

3. Business Operation Overview

4. Future Development Strategies



Disclaimer

- TA-YUAN COGENERATION CORP. (the “Company”) does not release any financial forecast. However, the description involving the Company’s opinions on its future operation and industrial development in respect of the company’s finance, business and Q&A made in this presentation could be different from the future actual results because of known and unknown risks and uncertainties.
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1. Company Profile



Company basic information

TA-YUAN COGENERATION CORP.

- ◆ Chairman : Chung-Cheng Lee
- ◆ Date of establishment : August 1993
- ◆ Date of TPEX listing : May 2001 (code:8931)
- ◆ Capital : NT\$1.22 billion
- ◆ Main business : Steam and Electricity Co-generation 、
Industrial Waste Disposing



Development track

In August 1993

- The Company was founded

In July 1996

- The coal-fired Extraction/Condensing Cogeneration System began put into official commercial operation

In May 1998

- The oil-fired power generation units were prepared and set up.

In June 2000

- The fuel oil-fired power generation units were put into commercial operation

In October 2012

- Newly established a renewable energy plant

In March 2015

- The renewable energy plant began put into official commercial operation

In October 2015

- Newly established Premixed Combustion Cogeneration System

In November 2020

- Approving the conversion of heavy fuel oil generating units to natural gas generating units

In January 2021

- Premixed Combustion Cogeneration System began put into official commercial operation



Future overview



In the first quarter of 2022

- Refuse Derived Fuel processing will be put into official commercial operation.

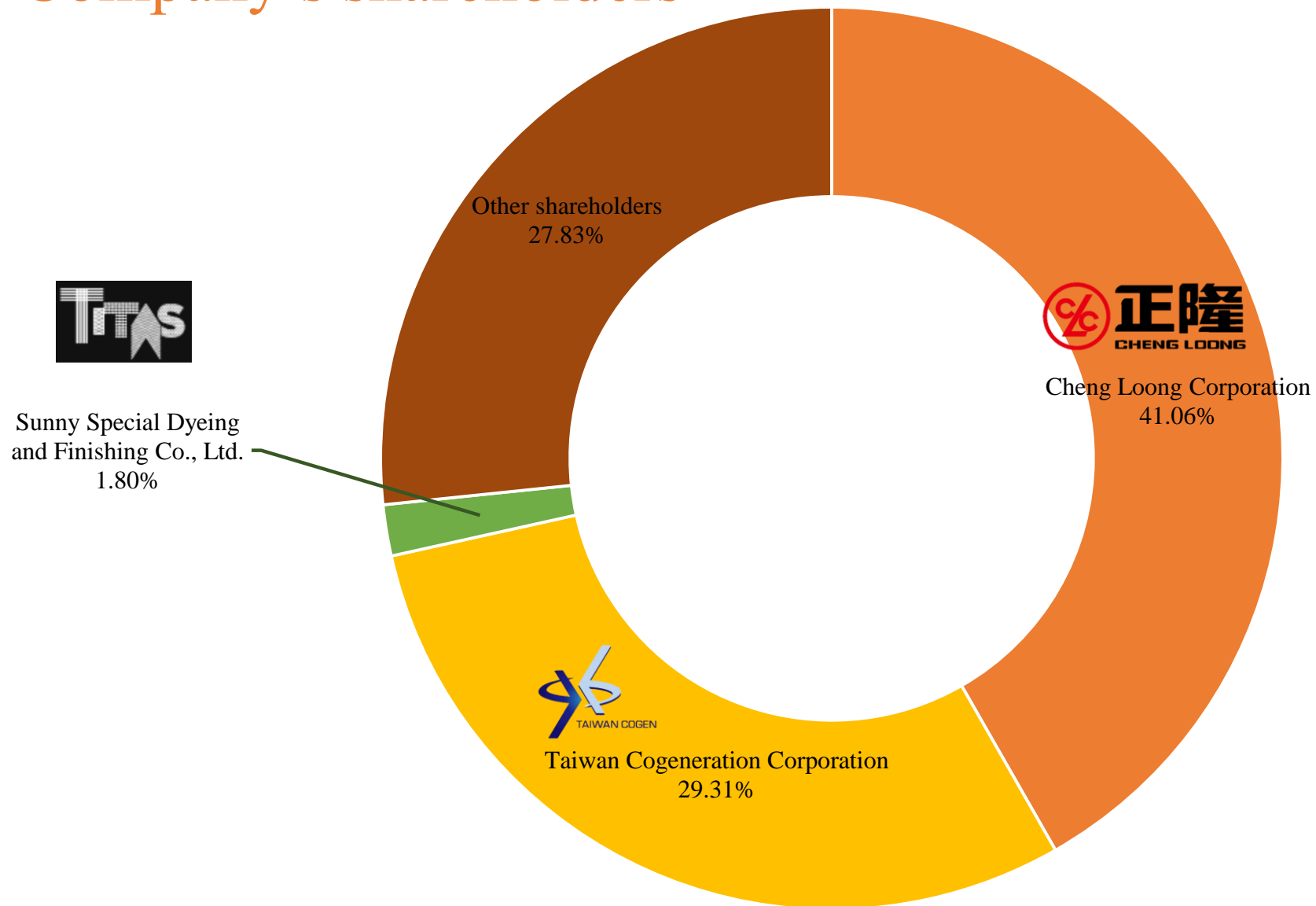


In the first quarter of 2022

- Gas generating set will be put into official commercial operation



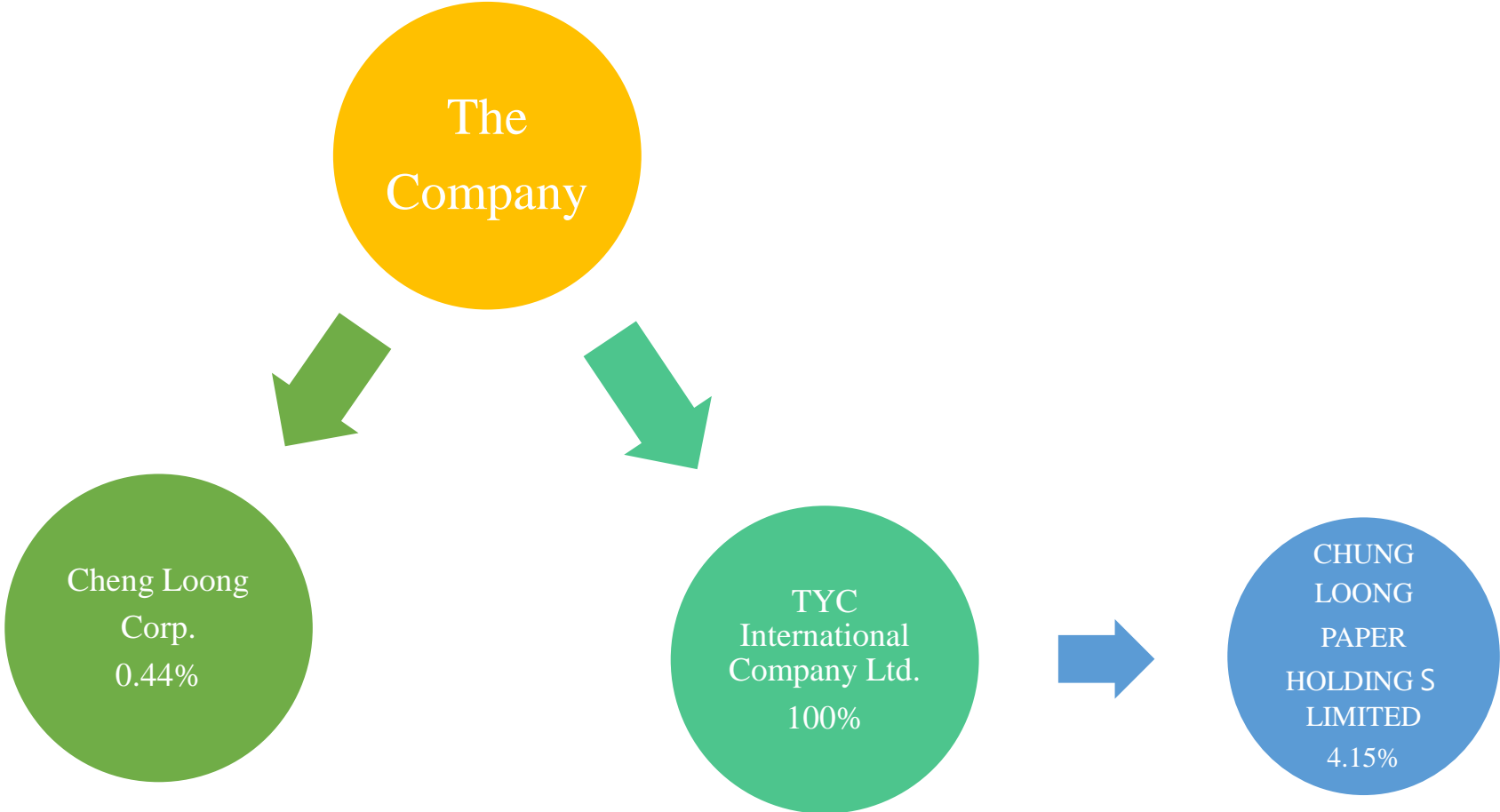
The Company's shareholders



As of May 5, 2021



Investments





2. Financial Summary



Consolidated Income Statement

Thousands of New Taiwan Dollars

	2021 H1	%	2020 H1	%	2021H1vs2020H1	
					diff	%
OPERATING REVENUE	921,087	100	883,154	100	37,933	4
OPERATING COSTS	(708,261)	(77)	(711,897)	(81)	3,636	(1)
GROSS PROFIT	212,826	23	171,257	19	41,569	24
OPERATING EXPENSES	(64,637)	(7)	(43,553)	(5)	(21,084)	48
PROFIT FROM OPERATIONS	148,189	16	127,704	14	20,485	16
NON-OPERATING INCOME AND EXPENSES	(25,003)	(3)	(50,932)	(6)	25,929	(51)
PROFIT BEFORE INCOME TAX	123,186	13	76,772	9	46,414	60
INCOME TAX EXPENSE	(12,836)	(1)	(5,032)	(1)	(7,804)	155
NET PROFIT	110,350	12	71,740	8	38,610	54
OTHER COMPREHENSIVE INCOME (LOSS)	68,951	7	12,016	1	56,935	474
TOTAL COMPREHENSIVE INCOME	179,301	19	83,756	9	95,545	114
EPS	0.90		0.59			

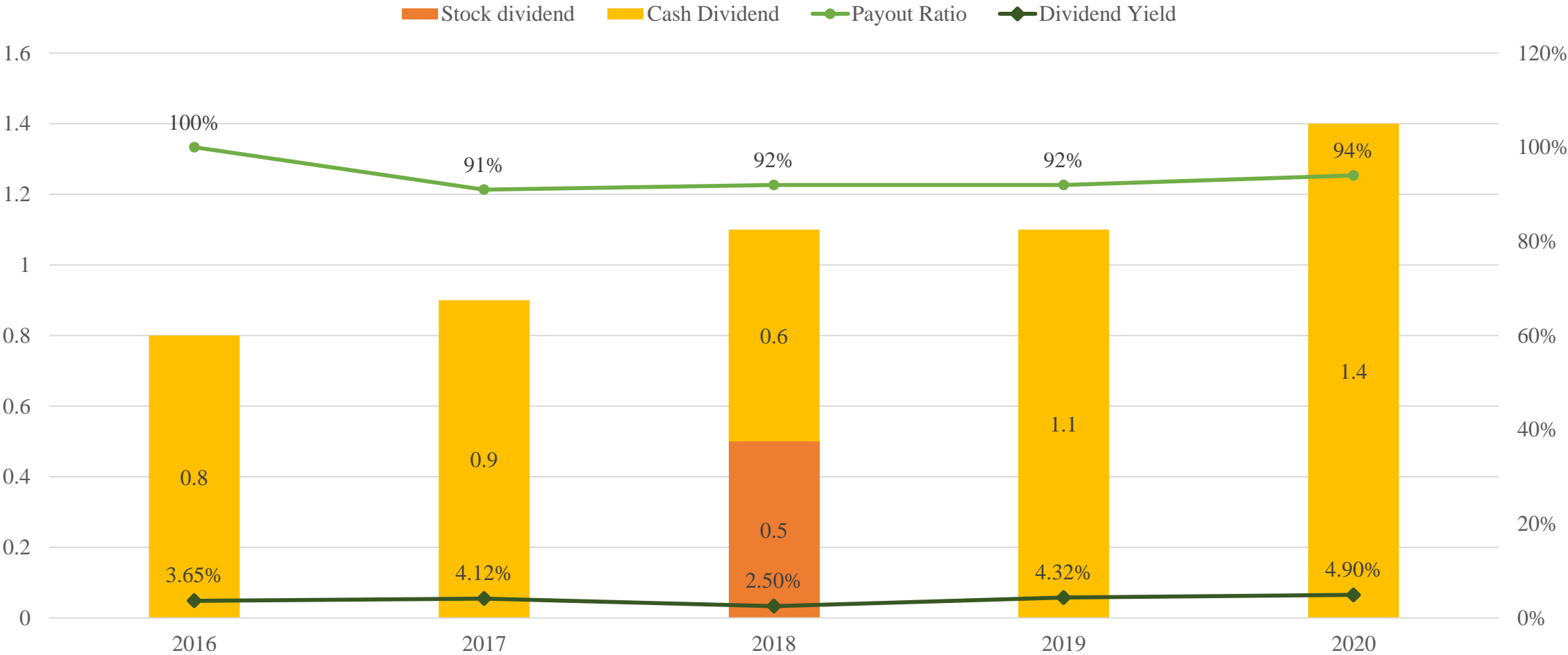


Financial structure and Profitability

Analysis Item		2021 H1	2020	2019
Financial structure	Debt ratio (%)	51.29	54.11	52.11
	Ratio of long-term capital to property, plant and equipment (%)	106.87	110.28	197.36
Profitability	Asset return ratio (%)	5.27	4.63	4.39
	Return on shareholders' equity (%)	10.61	9.56	8.2
	Ratio of profit from operations to paid-in capital (%)	24.24	21.36	14.87
	Ratio of net profit before tax to paid-in capital (%)	20.15	17.49	15.04
	Net profit ratio (%)	11.98	9.89	9.01
	EPS	0.90	1.49	1.2



Dividend

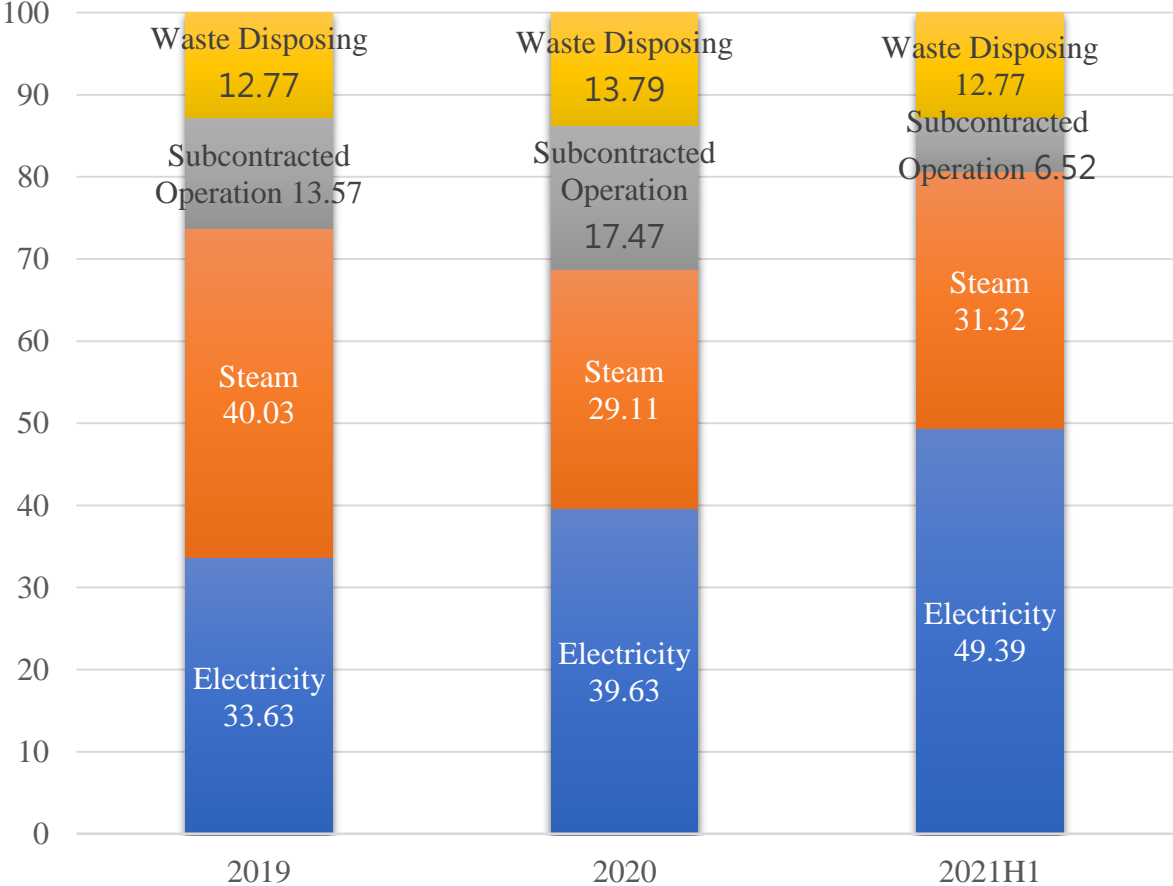


3. Business Operation Overview

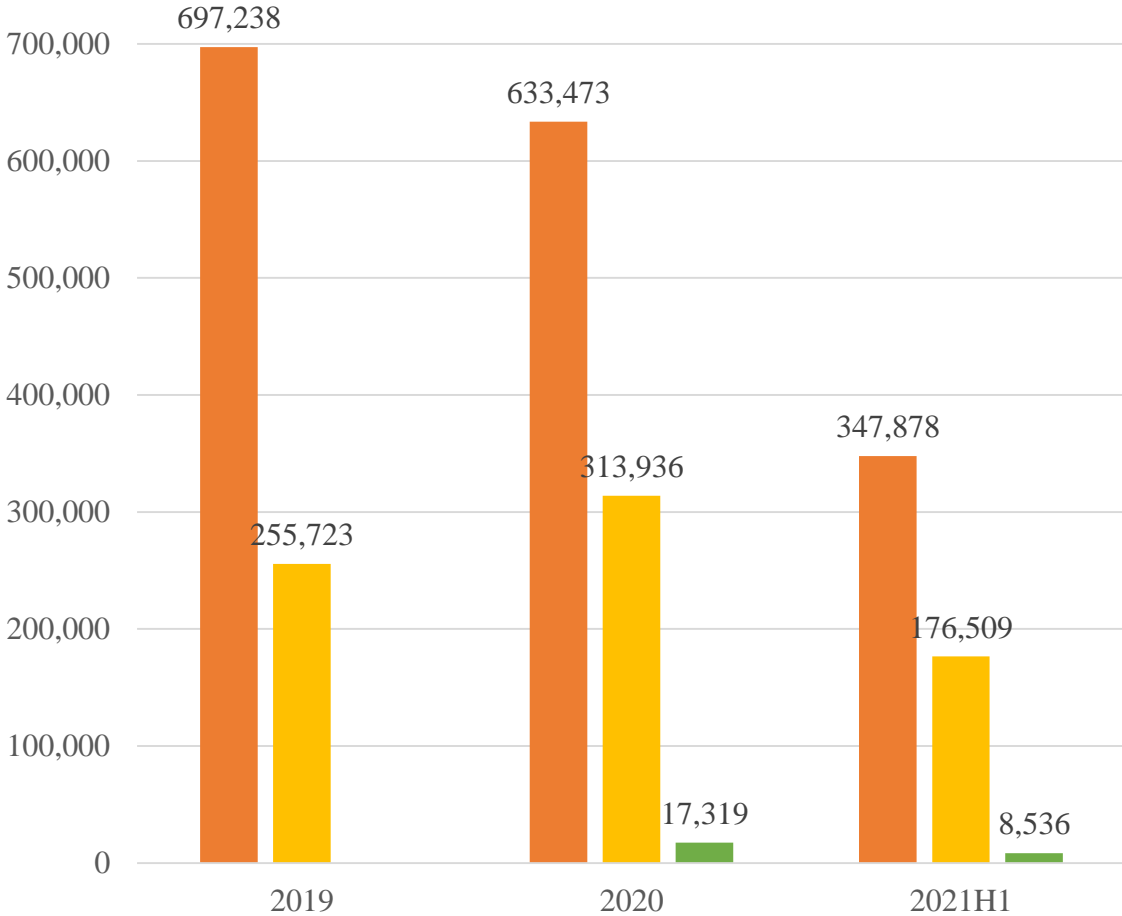


Percentage of sale and sale volume

Percentage of Sale(%)



Sales Volume



■ steam (tons) ■ Electricity (thousand kWh) ■ Waste Disposing(tons)



Market Share

Unit: MW

Capacity share of cogeneration market installations	2019	2020	2021Q1
Domestic cogeneration system	7,967	7,149	6,536
The Company	68	68	82
Market Share	0.85%	0.95%	1.25%

Source: Bureau of Energy, Ministry of Economic Affairs and the Company






Market share of waste disposal	2019		2020		2021Q1	
	Amount (tons)	Market share	Amount (tons)	Market share	Amount (tons)	Market share
C-0301	3,043	1.43%	6,220	2.20%	1,763	2.36%
D-1504	8,078	4.62%	11,120	6.09%	2,616	5.44%
R-0906	-	-	3,429	6.24%	2,561	16.83%

Note: The market share is based on (the amount of waste received/the amount of joint declaration)



4.Future Development Strategies



-  Strengthen Corporate Governance to enhance operating performance.
-  Research, develop and implement innovative processing procedures and technologies of renewable energy.
-  Strengthen environmental protection and industrial safety system to comply with ISO standards.
-  Strengthen benefits of circular economy to implement energy saving, carbon reduction and pollution reduction.
-  Develop talent to prepare for a reserve of management and improve the rejuvenation of human resource.



The Company

- ✔ Organize and establish a corporate governance unit, and introduce corporate governance 3.0 mechanism.

Cogeneration Plant

- ✔ Heavy fuel oil engine units are converted to natural gas for power generation to reduce pollution emissions and increase profit.
- ✔ Divert waste water from cogeneration plant into the industrial wastewater system to meet the strict requirements of regulations.
- ✔ Utilize the reuse mechanism of G2 bottom ash and fly ash to reduce the operation cost.
- ✔ Continue to expand steam sales volume and enhance its sales price.
- ✔ Improve the ratio of G2 renewable fuels to reduce the coal consumption and the carbon emission.



Renewable Energy Plant

01

Optimize D-1504 and D-0301 process technology to improve product qualification rate and recycle rate.

02

The research and development of IPA solvent recycling process.

03

Production launch of Refuse Derived Fuel processing.

04

Comply with ISO-17025 Quality Management Systems for Laboratories.



Please Advise



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