



TA-YUAN COGENERATION CORP.

INVESTOR CONFERENCE

2021.11.26



大園汽電共生股份有限公司
TA-YUAN COGEN CO., LTD.

Presentation Content

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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.
- The future development strategies in this presentation reflects the Company’s development strategies on the future to this day. The Company will not be responsible to send reminders or make updates for any future change or adjustment.
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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.

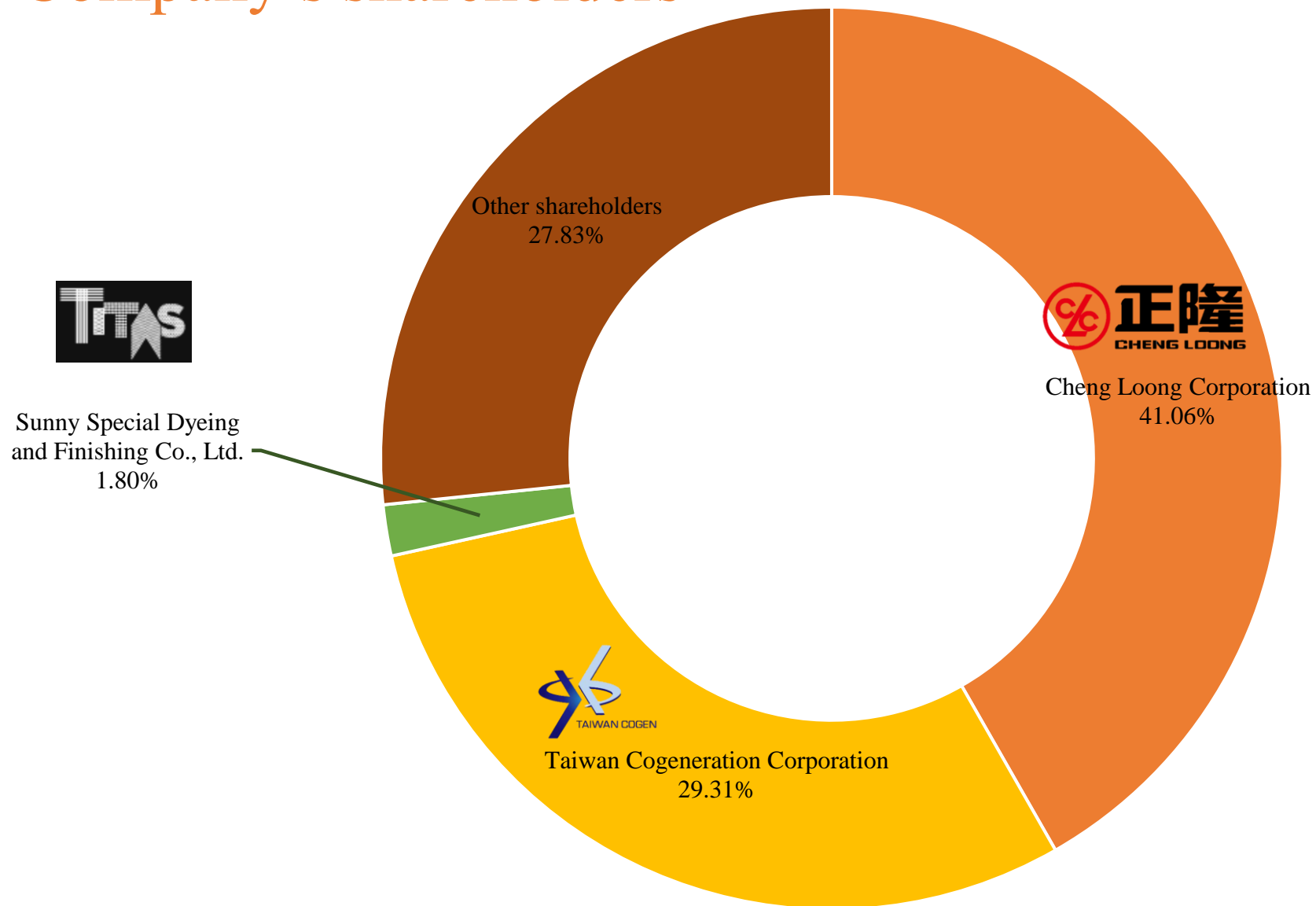


In the first quarter of 2022

- The construction of SRF reception system and feeding system will begin.



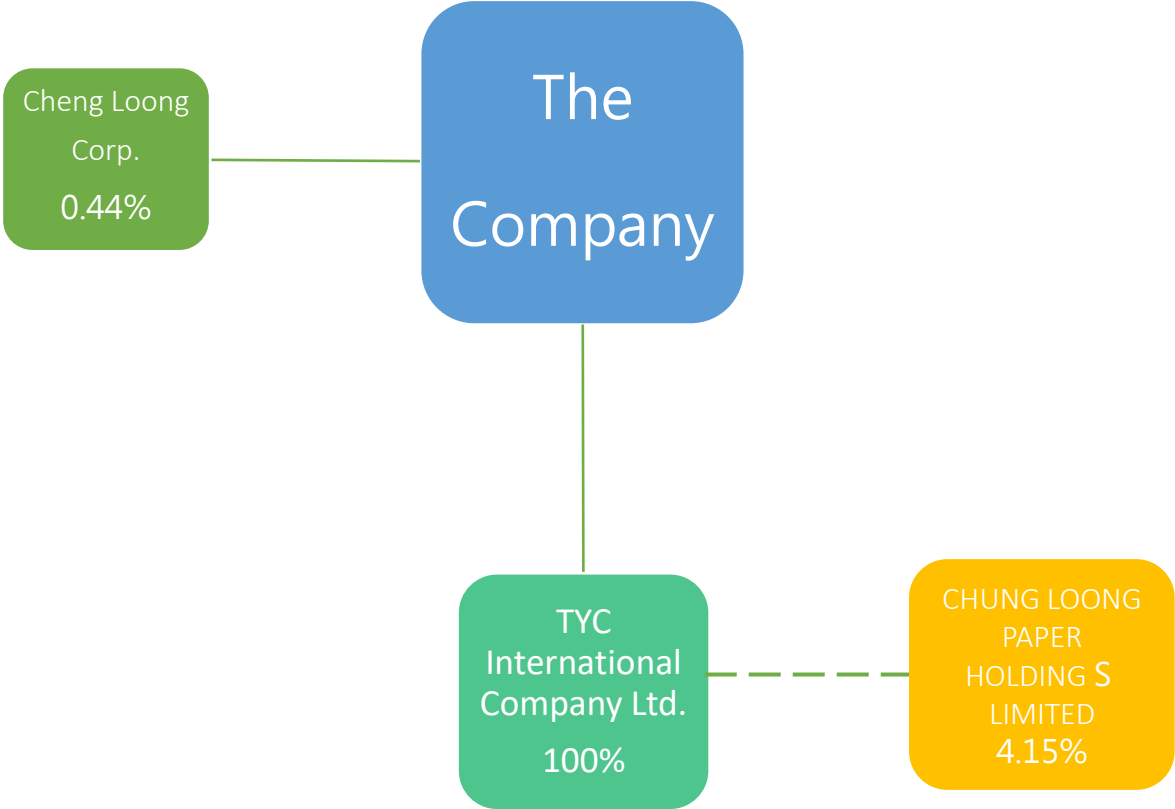
The Company's shareholders



As of May 5, 2021



Investments



Note : In August, 2021, the board of directors approved TYC to sale Chung Loong' s shares. In October, the proceeds was remitted and approved by Investment Commission. On November 2, the board of directors approved the authorization of the chairman to handle liquidation matters.



2. Financial Summary



Consolidated Income Statement

Thousands of New Taiwan Dollars

	2021 Q1-Q3	%	2020 Q1-Q3	%	2021/2020 Q1-Q3	
					diff	%
OPERATING REVENUE	1,517,273	100	1,372,018	100	145,255	11
OPERATING COSTS	(1,206,888)	(80)	(1,083,401)	(79)	(123,487)	11
GROSS PROFIT	310,385	20	288,617	21	21,768	8
OPERATING EXPENSES	(99,917)	(7)	(83,756)	(6)	(16,161)	19
PROFIT FROM OPERATIONS	210,468	14	204,861	15	5,607	3
NON-OPERATING INCOME AND EXPENSES	(15,995)	(1)	(47,404)	(3)	31,409	(66)
PROFIT BEFORE INCOME TAX	194,473	13	157,457	11	37,016	24
INCOME TAX EXPENSE	(25,326)	(2)	(20,274)	(1)	(5,052)	25
NET PROFIT	169,147	11	137,183	10	31,964	23
OTHER COMPREHENSIVE INCOME (LOSS)	37,107	2	46,983	3	(9,876)	(21)
TOTAL COMPREHENSIVE INCOME	206,254	14	184,166	13	22,088	12
EPS	1.38		1.12			

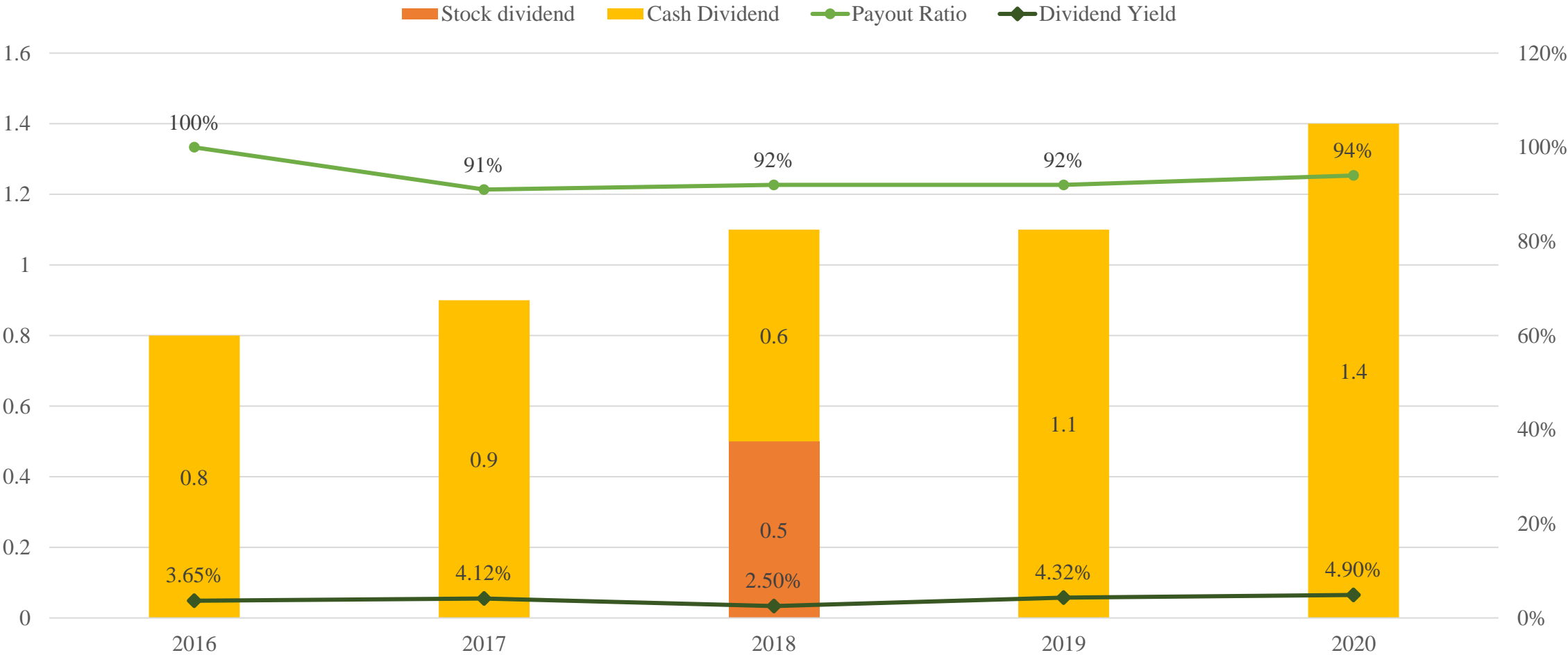


Financial structure and Profitability

Analysis Item		2021 Q1-Q3	2020	2019
Financial structure	Debt ratio (%)	53.25	54.11	52.11
	Ratio of long-term capital to property, plant and equipment (%)	96.43	110.28	197.36
Profitability	Asset return ratio (%)	9.41	4.63	4.39
	Return on shareholders' equity (%)	19.38	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	1.38	1.49	1.2



Dividend

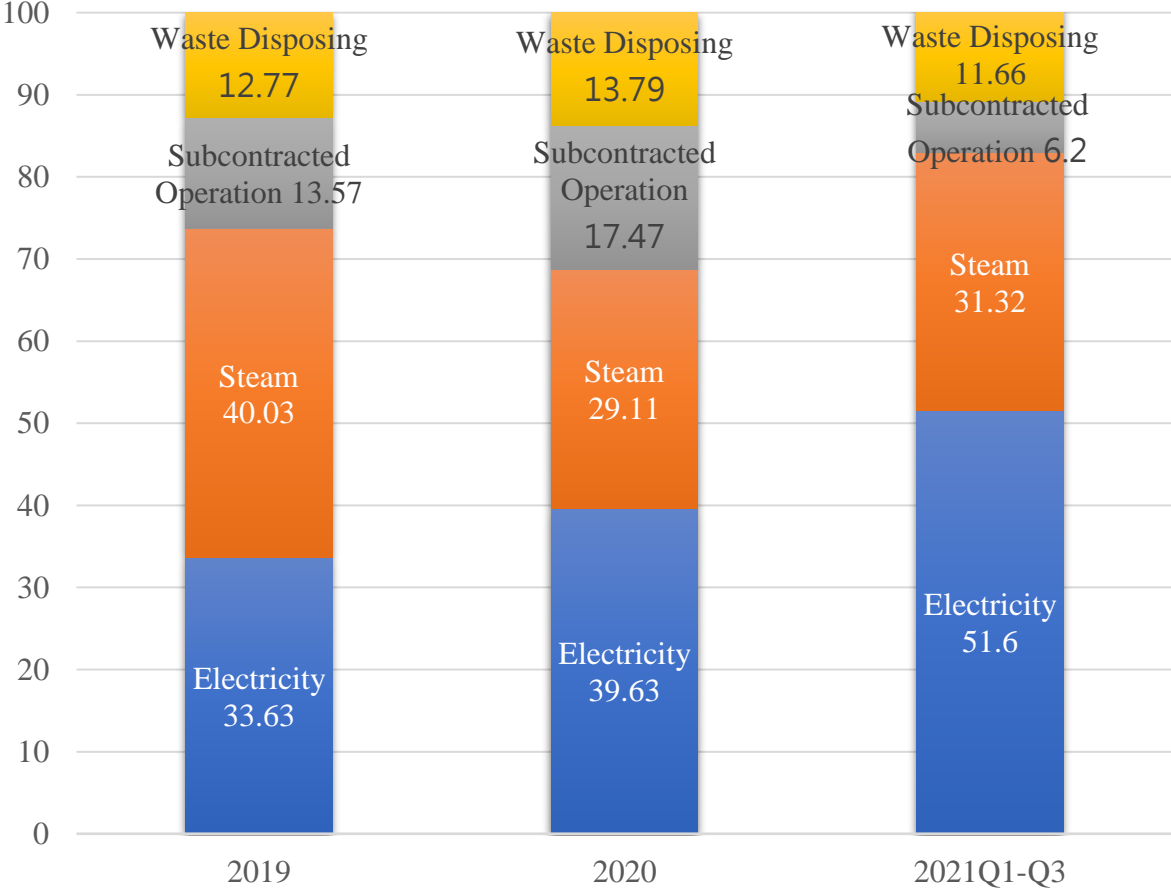


3. Business Operation Overview

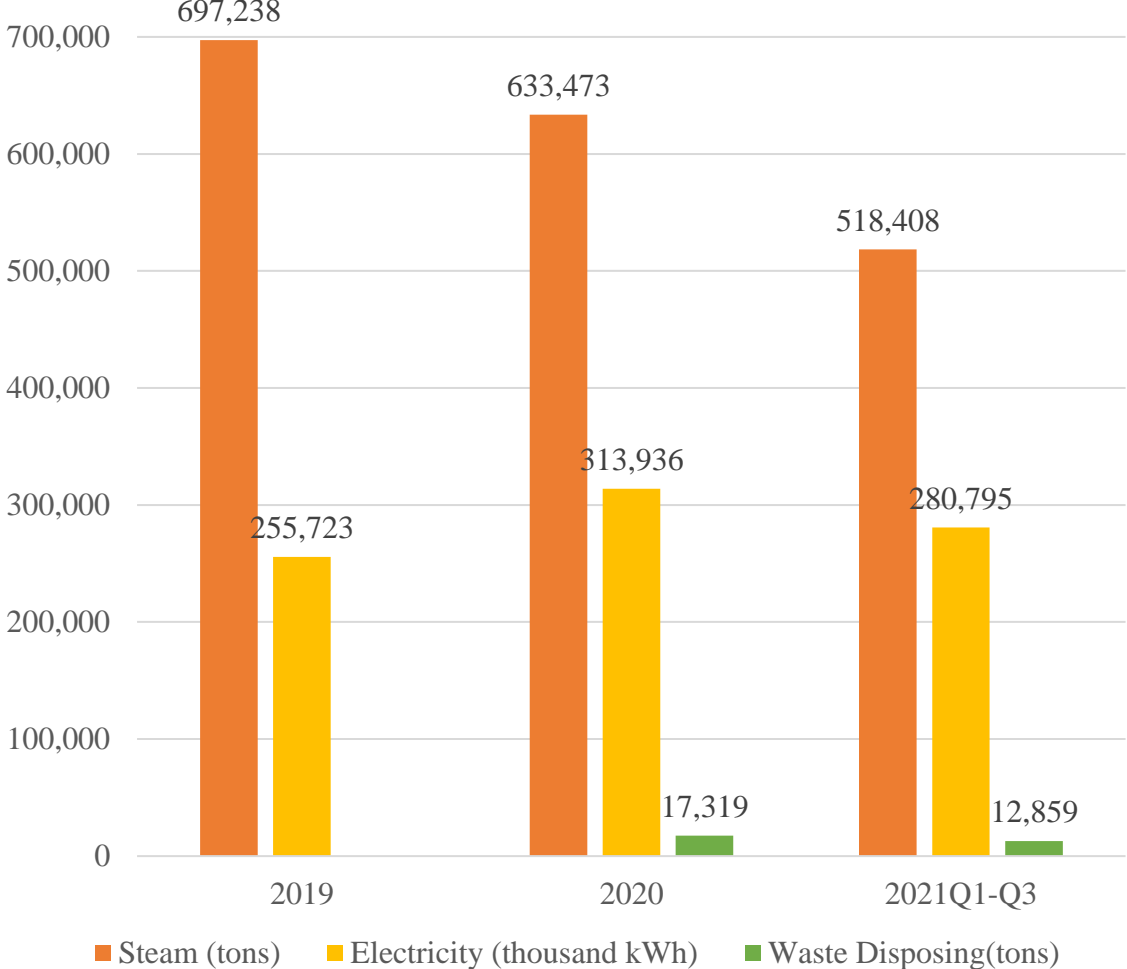


Percentage of sale and sale volume

Percentage of Sale(%)



Sales Volume



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%

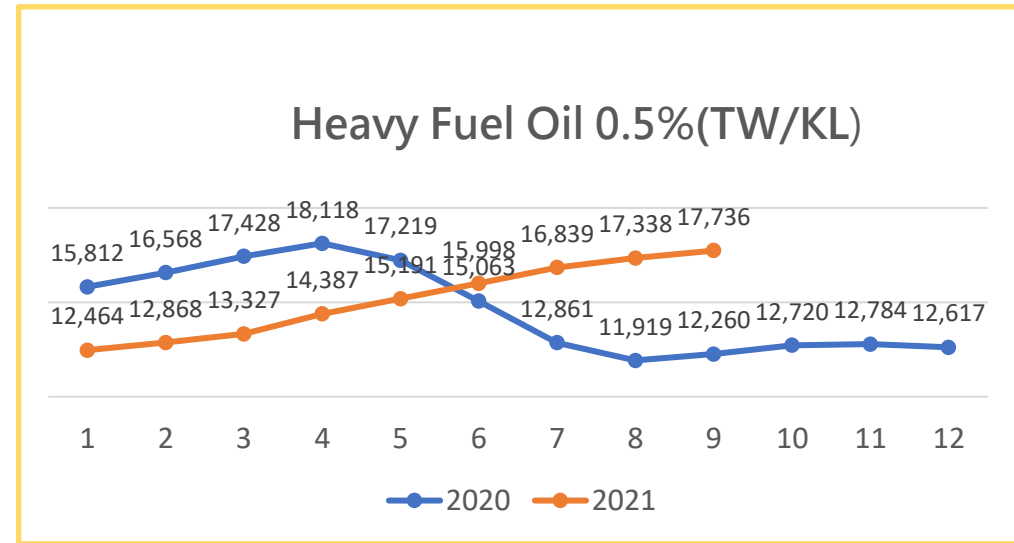
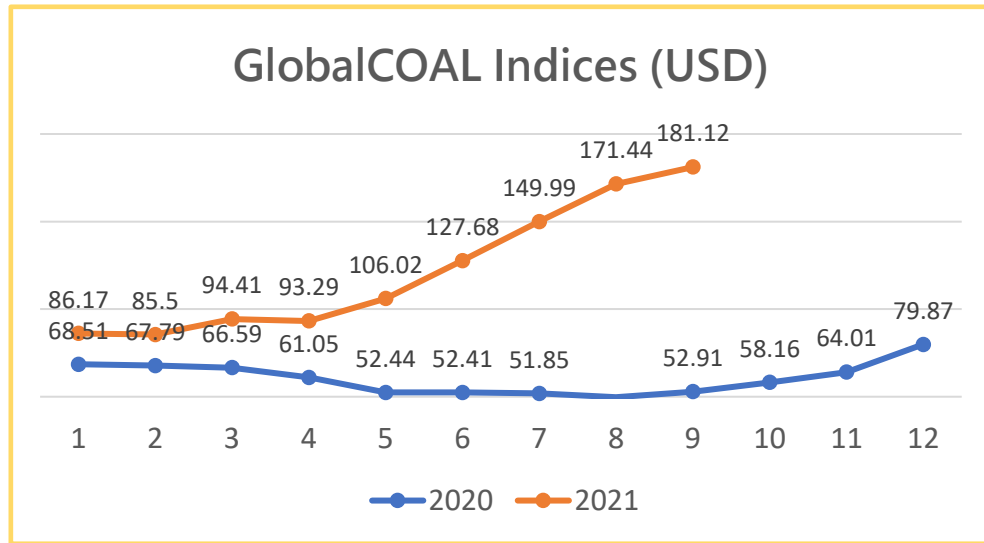
Source: Bureau of Energy, Ministry of Economic Affairs and the Company

Market share of waste disposal	2019		2020		2021H1	
	Amount (tons)	Market share	Amount (tons)	Market share	Amount (tons)	Market share
C-0301	3,043	1.43%	6,220	2.20%	3,148	2.07%
D-1504	8,078	4.62%	11,120	6.09%	5,388	5.43%
R-0906	-	-	3,429	6.24%	4,510	15.09%

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



(三) Coal 、 Heavy Fuel Oil and Electricity price



RATE SCHEDULES(Tax included)								
Time of Use Rate			High Voltage		Extra High Voltage		High Voltage	
Classification			Summer	Non-Summer	Summer	Non-Summer	Summer	Non-Summer
Regular Contracted Demand			223.60	166.90	217.30	160.60	223.60	166.90
Energy Charge	Monday To Friday	Peak Period	3.29	3.17	4.61	-	4.67	-
		Partial-Peak Period	-	-	2.87	2.78	2.90	2.82
	Saturday		1.97	1.87	1.73	1.65	1.78	1.71
	Sunday & Off-Peak day	Off-Peak Period	1.41	1.31	1.29	1.22	1.32	1.26

NOTE: Rate schedules have not been adjusted after April 1, 2018

4.Future Development Strategies



1 Strengthen Corporate Governance to enhance operating performance.

2 Research, develop and implement innovative processing procedures and technologies of renewable energy.

3 Strengthen environmental protection and industrial safety system to comply with ISO standards.

4 Strengthen benefits of circular economy to implement energy saving, carbon reduction and pollution reduction.

5 Develop talent to prepare for a reserve of management and improve the rejuvenation of human resource.

6 Improve the working ability of laboratory and develop the business of testing and verification.



The Company

- ✔ Enhance corporate governance 3.0 mechanism and implement material information in English.

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 manufacture the artificial pellets to reduce the operation cost.
- ✔ Continue to expand steam sales volume and enhance its sales price.
- ✔ Build SRF reception system and feeding system to improve the ratio of G2 renewable fuels.



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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