



TA-YUAN COGENERATION CORP.

INVESTOR CONFERENCE

2022.03.25



大園汽電共生股份有限公司
TA-YUAN COGEN CO., LTD.

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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.
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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 January, 2021

- Premixed Combustion Cogeneration System began put into official commercial operation

In March, 2022

- Commissioning of SRF manufacturing process and gas generating set.



Future overview



2022Q2

- Gas generating set will be put into official commercial operation.



July, 2022

- SRF manufacturing process will be put into official commercial operation.



2023Q3

- The construction of SRF reception system and feeding system will be completed.



2024

- Premixed Combustion Cogeneration System will use 100% renewable fuel.
- Part of the renewable fuel will be used in coal-fired extraction/condensing cogeneration system.

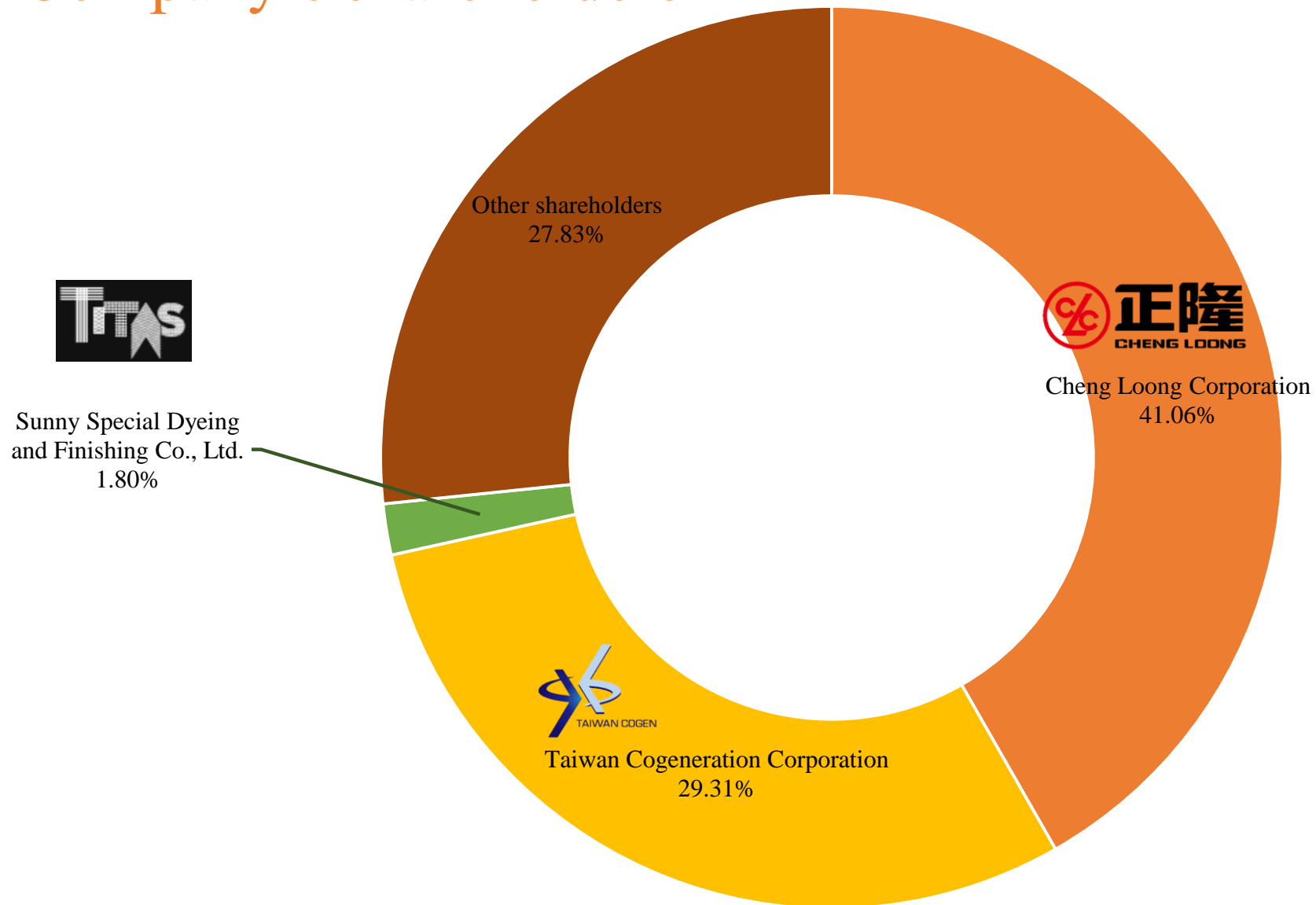


2030~2035

- Decommissioning of the coal-fired Extraction/Condensing Cogeneration System



The Company's shareholders



As of May 5, 2021



2. Financial Summary



Consolidated Income Statement

Thousands of New Taiwan Dollars

	2021	%	2020	%	2021/2020	
					diff	%
OPERATING REVENUE	1,997,736	100	1,842,558	100	155,178	8
OPERATING COSTS	(1,633,980)	(82)	(1,458,670)	(79)	(175,310)	12
GROSS PROFIT	363,756	18	383,888	21	(20,132)	(5)
OPERATING EXPENSES	(134,358)	(7)	(122,771)	(7)	(11,587)	9
PROFIT FROM OPERATIONS	229,398	11	261,117	14	(31,719)	(12)
NON-OPERATING INCOME AND EXPENSES	(16,945)	(1)	(47,302)	(3)	30,357	(64)
PROFIT BEFORE INCOME TAX	212,453	11	213,815	12	(1,362)	(1)
INCOME TAX EXPENSE	(42,082)	(2)	(31,602)	(2)	(10,480)	33
NET PROFIT	170,371	9	182,213	10	(11,842)	(6)
OTHER COMPREHENSIVE INCOME (LOSS)	54,955	3	120,362	7	(65,407)	(54)
TOTAL COMPREHENSIVE INCOME	225,326	11	302,575	16	(77,249)	(26)
EPS	1.39		1.49			

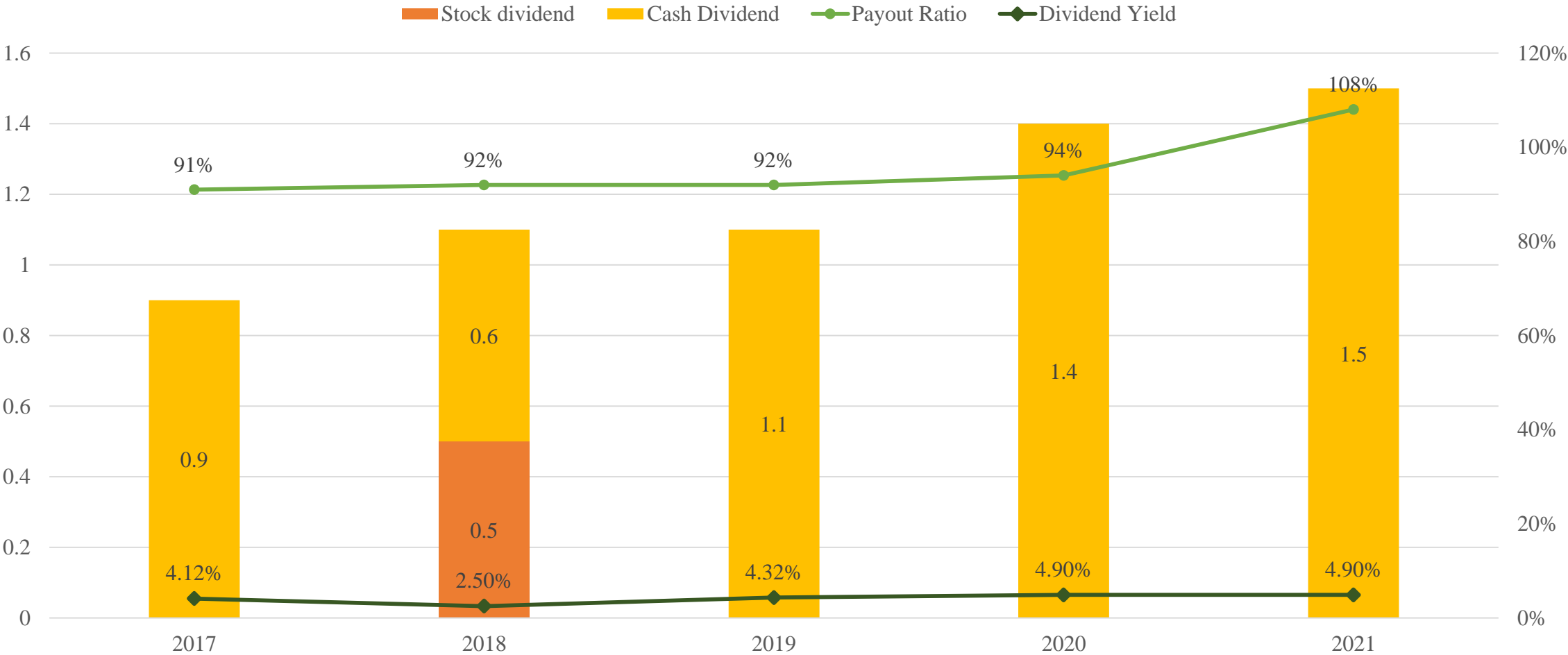


Financial structure and Profitability

Analysis Item		2021	2020	2019
Financial structure	Debt ratio (%)	53.71	54.11	52.11
	Ratio of long-term capital to property, plant and equipment (%)	144.44	110.28	197.36
Profitability	Asset return ratio (%)	8.41	4.63	4.39
	Return on shareholders' equity (%)	16.89	9.56	8.2
	Ratio of profit from operations to paid-in capital (%)	37.53	21.36	14.87
	Ratio of net profit before tax to paid-in capital (%)	34.76	17.49	15.04
	Net profit ratio (%)	8.53	9.89	9.01
	EPS	1.39	1.49	1.2



Dividend



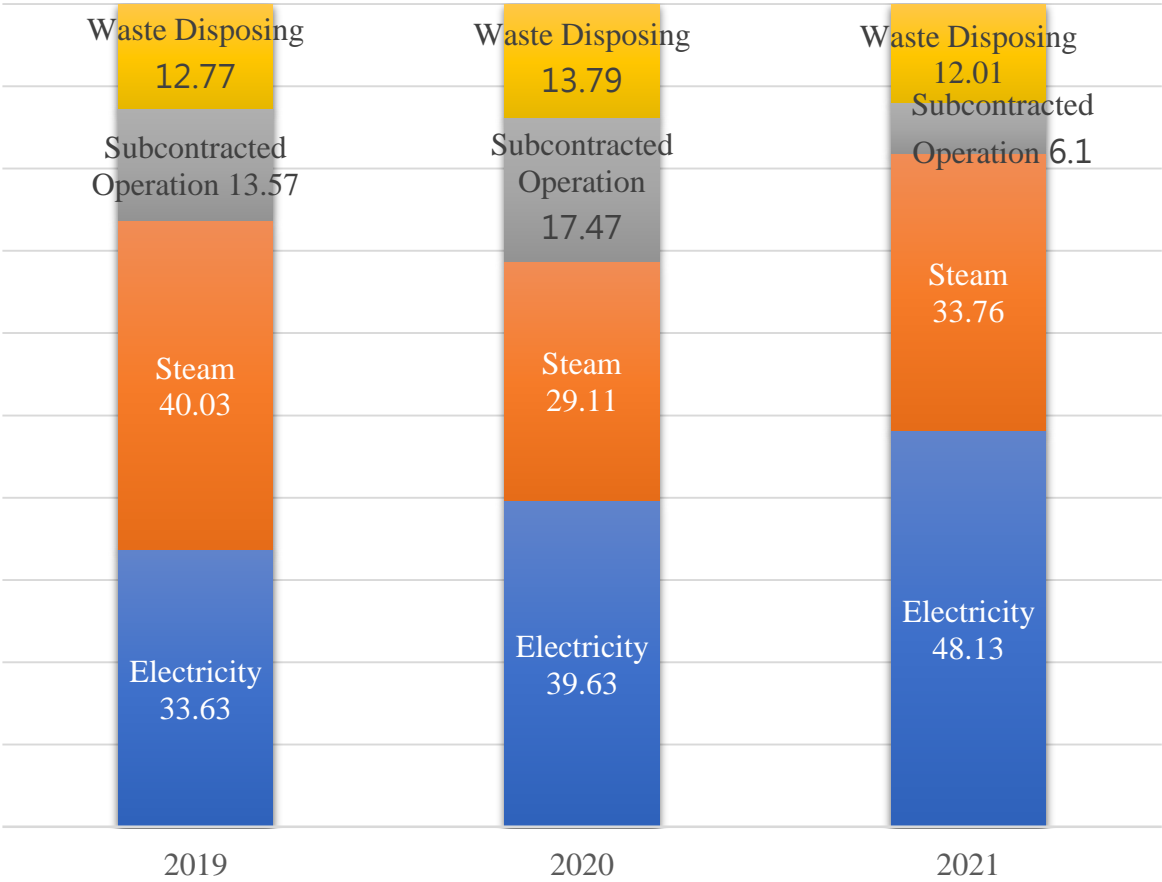
Note: The appropriation of earnings for 2021 was approved by the board of directors on March 10, but has not been approved by the shareholders' meeting.

3. Business Operation Overview

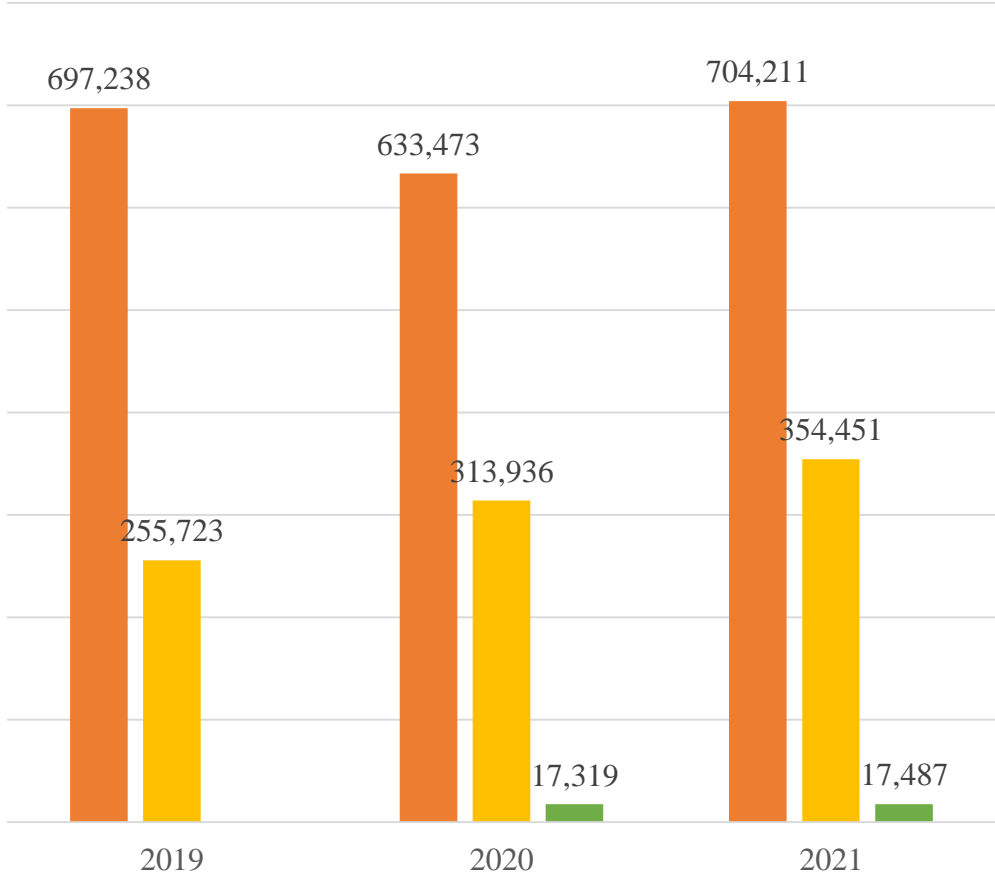


Percentage of sale and sale volume

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%

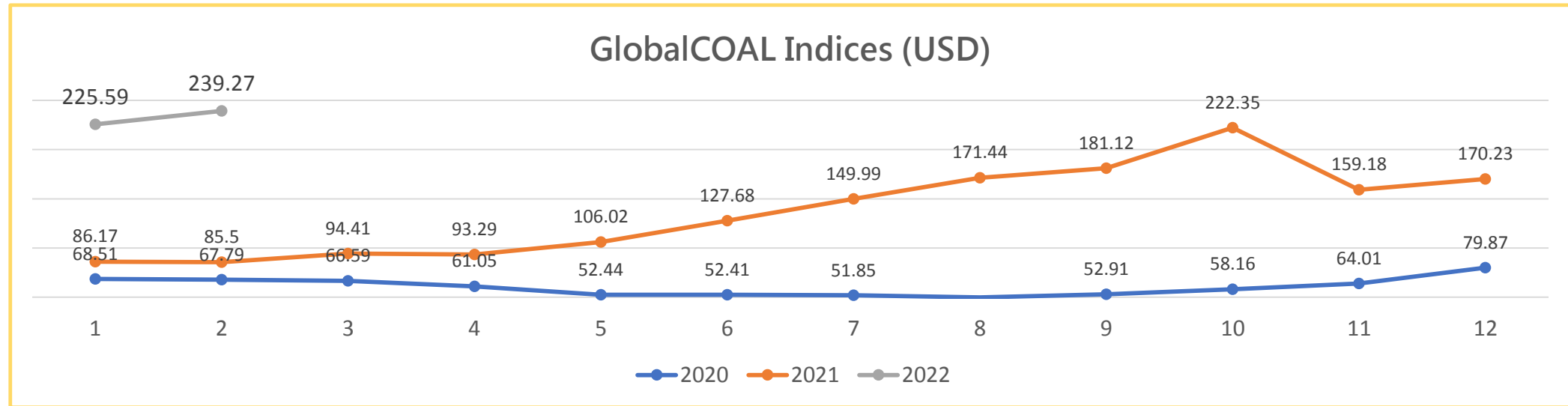
Source: Bureau of Energy, Ministry of Economic Affairs and the Company

Market share of waste disposal	2019		2020		2021Q1-Q3	
	Amount (tons)	Market share	Amount (tons)	Market share	Amount (tons)	Market share
C-0301	3,043	1.43%	6,220	2.20%	4,745	2.04%
D-1504	8,078	4.62%	11,120	6.09%	8,115	5.40%
R-0906	-	-	3,429	6.24%	7,018	15.37%

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



(三) Coal 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 Enhance the level of Corporate Governance and progressively introduce ESG.

2 Make the good use of circular economy to improve profitability.

3 Effectively utilize the low cost of natural gas, and flexibly optimize the power generation operation.

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

5 Talent cultivation, reserve backbone supervisors, and implement grassroots personnel education.

6 Rooted in the business philosophy and corporate culture of "loyalty, honesty, trust and truth".



The Company

- ✔ Promote the re-education of basic administrative staff skills and improve the efficiency of administrative operations.
- ✔ Open the course of "Business Philosophy, Corporate Culture" to sustain high-quality ideas and culture.



Cogeneration Plant

- ✔ Make good use of Taipower's emergency power purchase opportunity, and flexibly dispatch units to run at full capacity.
- ✔ Continue to research and develop G1 carbon emission reduction technologies to progressively reduce carbon emissions.



Renewable Energy Plant

01

The verification of the newly established SRF renewable fuel manufacturing process was completed, and will officially put into production in 2022Q2.

02

Completed ISO-17025 certification, and started business of testing and verification in 2022Q2.

03

Continue to develop the customers of industrial waste disposing and maintain the utilization rate of manufacturing process > 92%.





Please Advise



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