



TA-YUAN COGENERATION CORP.

INVESTOR CONFERENCE

2022.05.27



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.
- 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 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.
- Join the Energy Trading Platform.



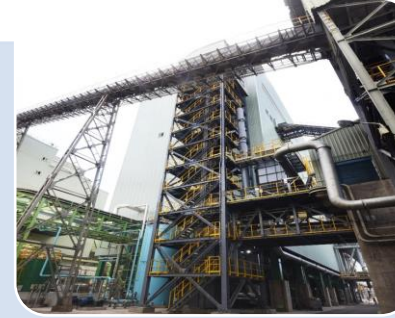
July, 2022

- 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.

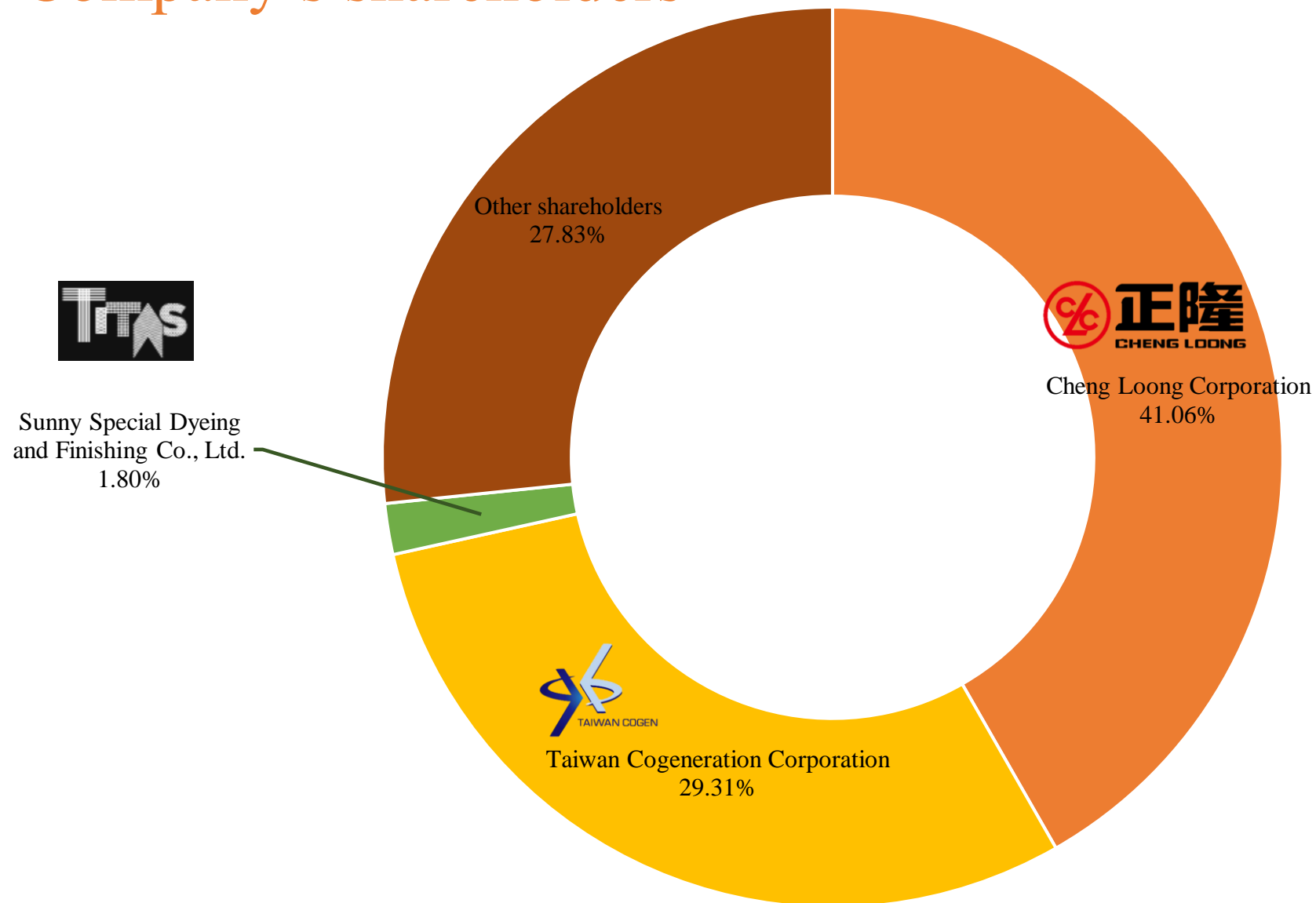


2028~2035

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



The Company's shareholders



As of April 30, 2022

2. Financial Summary



Consolidated Income Statement

Thousands of New Taiwan Dollars

| | 2022Q1 | % | 2021Q1 | % | 2022Q1/2021Q1 | |
|-----------------------------------|-----------|------|-----------|------|---------------|-------|
| | | | | | Diff | % |
| OPERATING REVENUE | 457,819 | 100 | 402,959 | 100 | 54,860 | 14 |
| OPERATING COSTS | (415,854) | (91) | (323,471) | (80) | (92,383) | 29 |
| GROSS PROFIT | 41,965 | 9 | 79,488 | 20 | (37,523) | (47) |
| OPERATING EXPENSES | (27,826) | (6) | (30,054) | (7) | 2,228 | (7) |
| PROFIT FROM OPERATIONS | 14,139 | 3 | 49,434 | 12 | (35,295) | (71) |
| NON-OPERATING INCOME AND EXPENSES | (1,104) | (0) | (2,617) | (1) | 1,513 | (58) |
| PROFIT BEFORE INCOME TAX | 13,035 | 3 | 46,817 | 12 | (33,782) | (72) |
| INCOME TAX EXPENSE | (2,607) | (1) | (9,412) | (2) | 6,805 | (72) |
| NET PROFIT | 10,428 | 2 | 37,405 | 9 | (26,977) | (72) |
| OTHER COMPREHENSIVE INCOME (LOSS) | (1,019) | (0) | 4,360 | 1 | (5,379) | (123) |
| TOTAL COMPREHENSIVE INCOME | 9,409 | 2 | 41,765 | 10 | (32,356) | (77) |
| EPS | 0.09 | | 0.31 | | | |

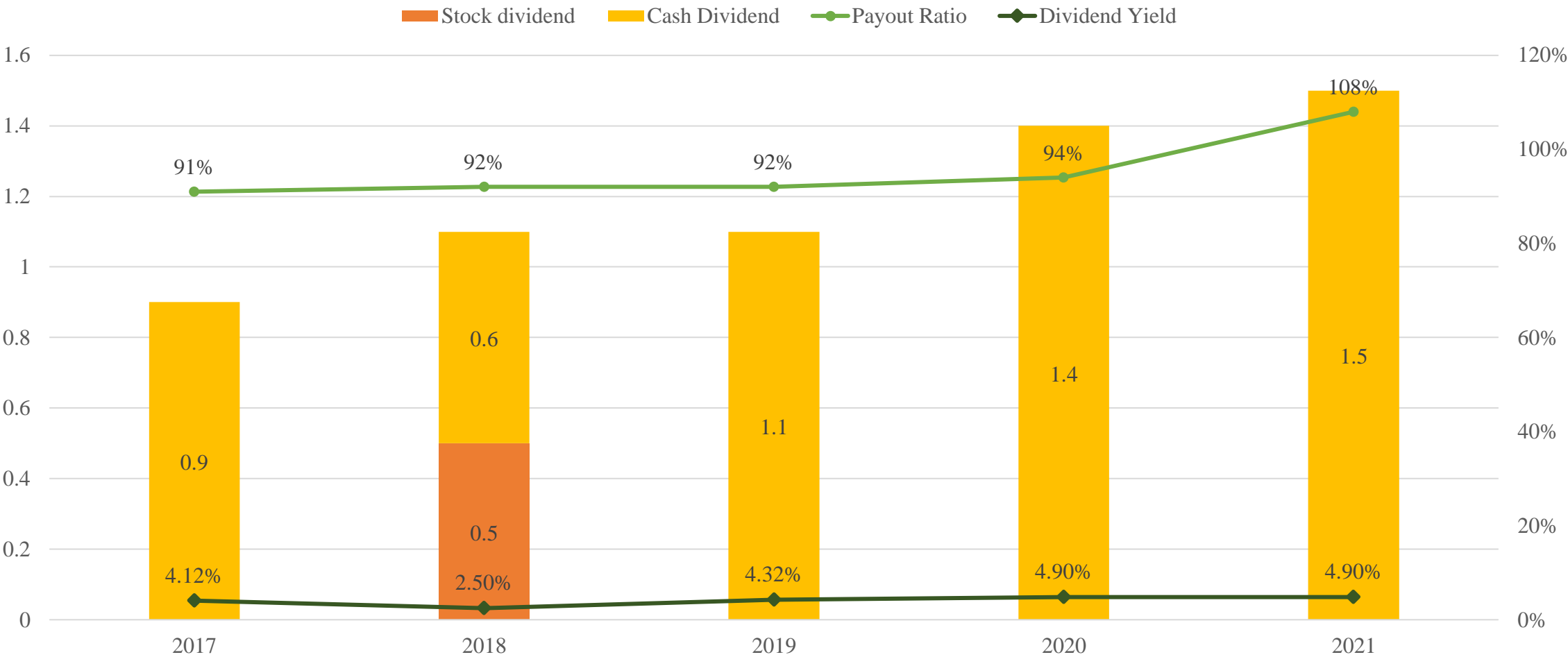


Financial structure and Profitability

| Analysis Item | | 2022Q1 | 2021 | 2020 |
|---------------------|---|--------|--------|--------|
| Financial structure | Debt ratio (%) | 53.46 | 53.71 | 54.11 |
| | Ratio of long-term capital to property, plant and equipment (%) | 145.16 | 144.44 | 110.28 |
| Profitability | Asset return ratio (%) | 1.29 | 4.20 | 4.63 |
| | Return on shareholders' equity (%) | 2.04 | 8.45 | 9.56 |
| | Ratio of profit from operations to paid-in capital (%) | 4.63 | 18.76 | 21.36 |
| | Ratio of net profit before tax to paid-in capital (%) | 4.26 | 17.38 | 17.49 |
| | Net profit ratio (%) | 2.28 | 8.53 | 9.89 |
| | EPS | 0.09 | 1.39 | 1.49 |



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.

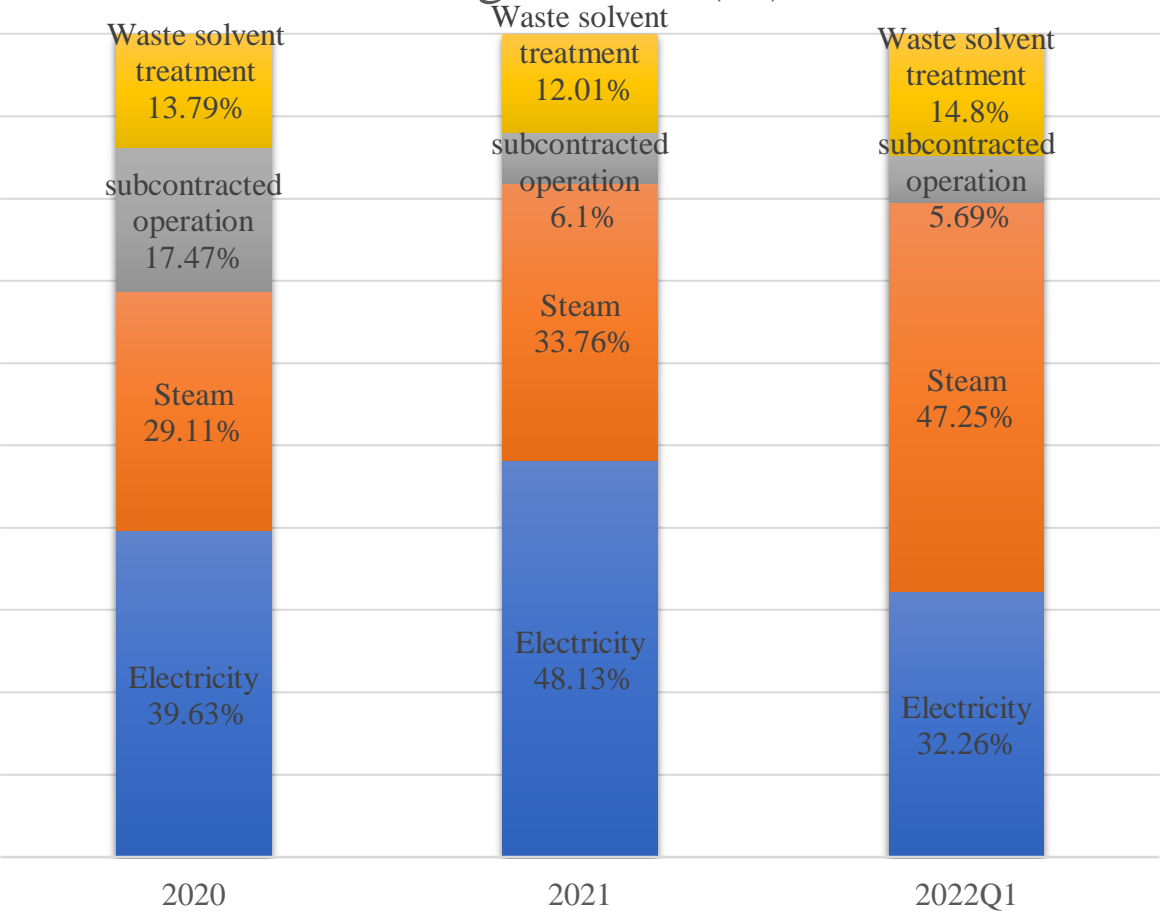


3. Business Operation Overview

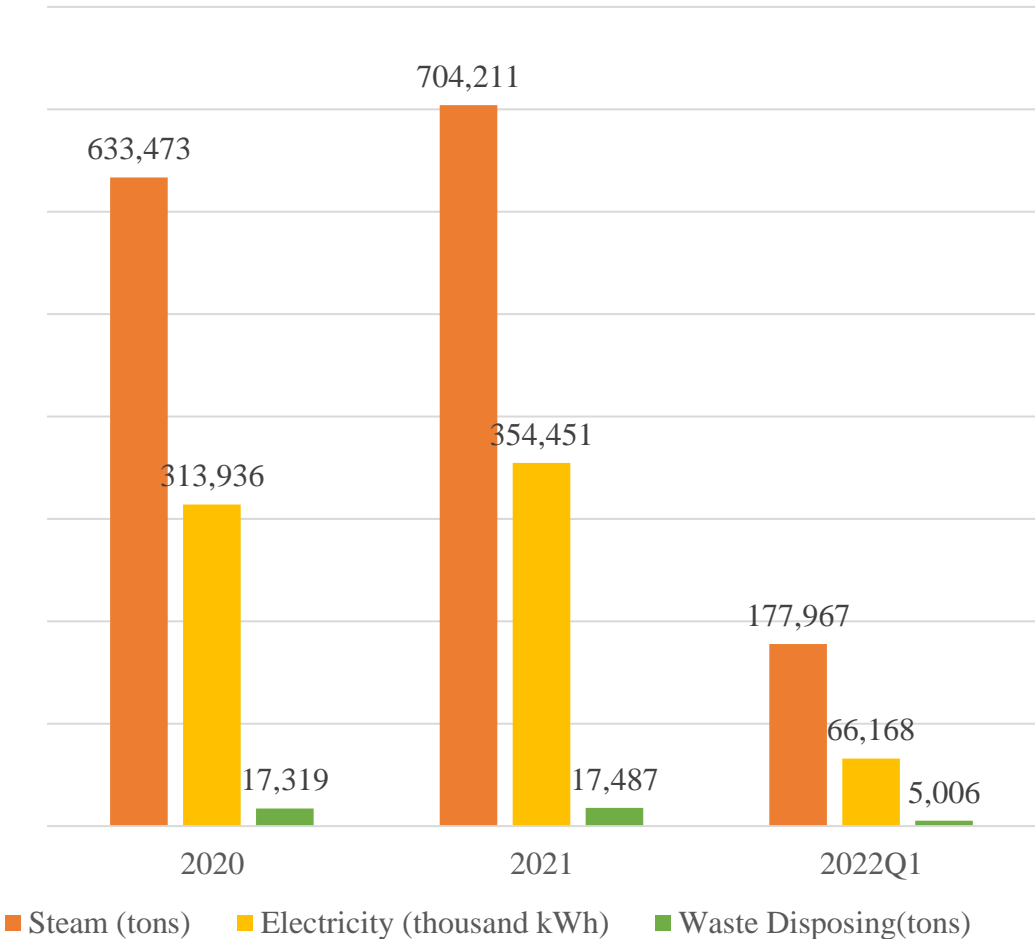


Percentage of sale and sale volume

Percentage of Sale(%)



Sales Volume



Market Share

Unit: MW

| Capacity share of cogeneration market installations | 2020 | 2021 | 2022Q1 |
|---|-------|-------|--------|
| Domestic cogeneration system | 7,149 | 6,536 | 6,522 |
| The Company | 68 | 82 | 82 |
| Market Share | 0.95% | 1.25% | 1.26% |

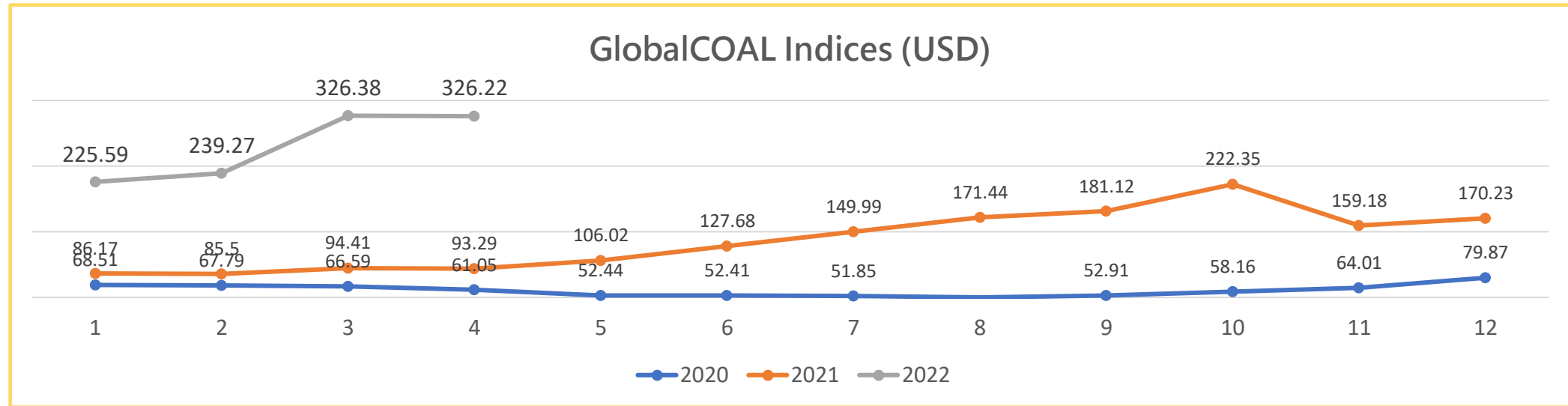
Source: Bureau of Energy, Ministry of Economic Affairs and the Company

| Market share of waste disposal | 2019 | | 2020 | | 2021 | |
|--------------------------------|---------------|--------------|---------------|--------------|---------------|--------------|
| | Amount (tons) | Market share | Amount (tons) | Market share | Amount (tons) | Market share |
| C-0301 | 3,043 | 1.43% | 6,220 | 2.20% | 6,327 | 1.99% |
| D-1504 | 8,078 | 4.62% | 11,120 | 6.09% | 11,160 | 5.55% |
| R-0906 | - | - | 3,429 | 6.24% | 6,319 | 10.47% |
| R-0902 | - | - | - | - | 2,078 | 3.32% |

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





Enhance the level of Corporate Governance and progressively introduce ESG.



Make the good use of circular economy to improve profitability.



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



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



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



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



The Company

- ✓ Improve the risk management of Cyber Security and establish a dedicated information security unit.
- ✓ Open the course of "Business Philosophy, Corporate Culture" to sustain high-quality ideas and culture.

Cogeneration Plant

- ✓ Join the Energy Trading Platform and provide the Ancillary Service Product of Supplemental Reserve , 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 July 2022.

02

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

03

Improve the waste solvent treatment technology and solid waste treatment process.



Please Advise



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