



TA-YUAN COGENERATION CORP.

INVESTOR CONFERENCE

2022.08.26



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 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 January, 2021

- Premixed Combustion Cogeneration System began put into official commercial operation

In June, 2022

- Gas generating sets were put into official commercial operation.



Future overview



September, 2022

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



2023Q3

- The construction of SRF reception 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.

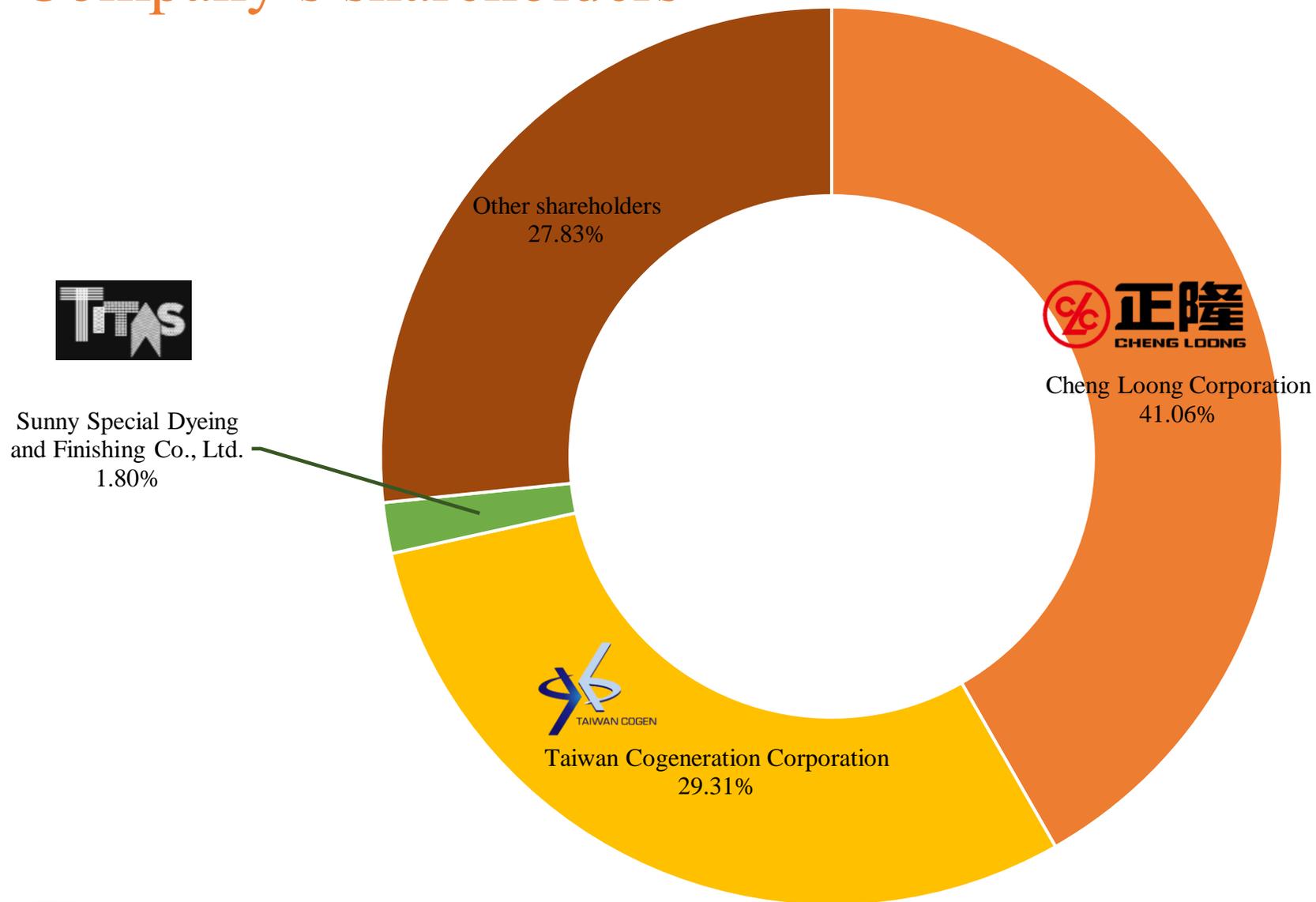


2028~2035

- 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

	2022H1	%	2021H1	%	2022H1/2021H1	
					Diff	%
OPERATING REVENUE	1,033,213	100	921,087	100	112,126	12
OPERATING COSTS	(912,859)	(88)	(708,261)	(77)	(204,598)	29
GROSS PROFIT	120,354	12	212,826	23	(92,472)	(43)
OPERATING EXPENSES	(59,095)	(6)	(64,637)	(7)	5,542	(9)
PROFIT FROM OPERATIONS	61,259	6	148,189	16	(86,930)	(59)
NON-OPERATING INCOME AND EXPENSES	(2,592)	(0)	(25,003)	(3)	22,411	(90)
PROFIT BEFORE INCOME TAX	58,667	6	123,186	13	(64,519)	(52)
INCOME TAX EXPENSE	588	0	(12,836)	(1)	13,424	(105)
NET PROFIT	59,255	6	110,350	12	(51,095)	(46)
OTHER COMPREHENSIVE INCOME (LOSS)	(67,902)	(7)	68,951	7	(136,853)	(198)
TOTAL COMPREHENSIVE INCOME	(8,647)	(1)	179,301	19	(187,948)	(105)
EPS	0.48		0.9			

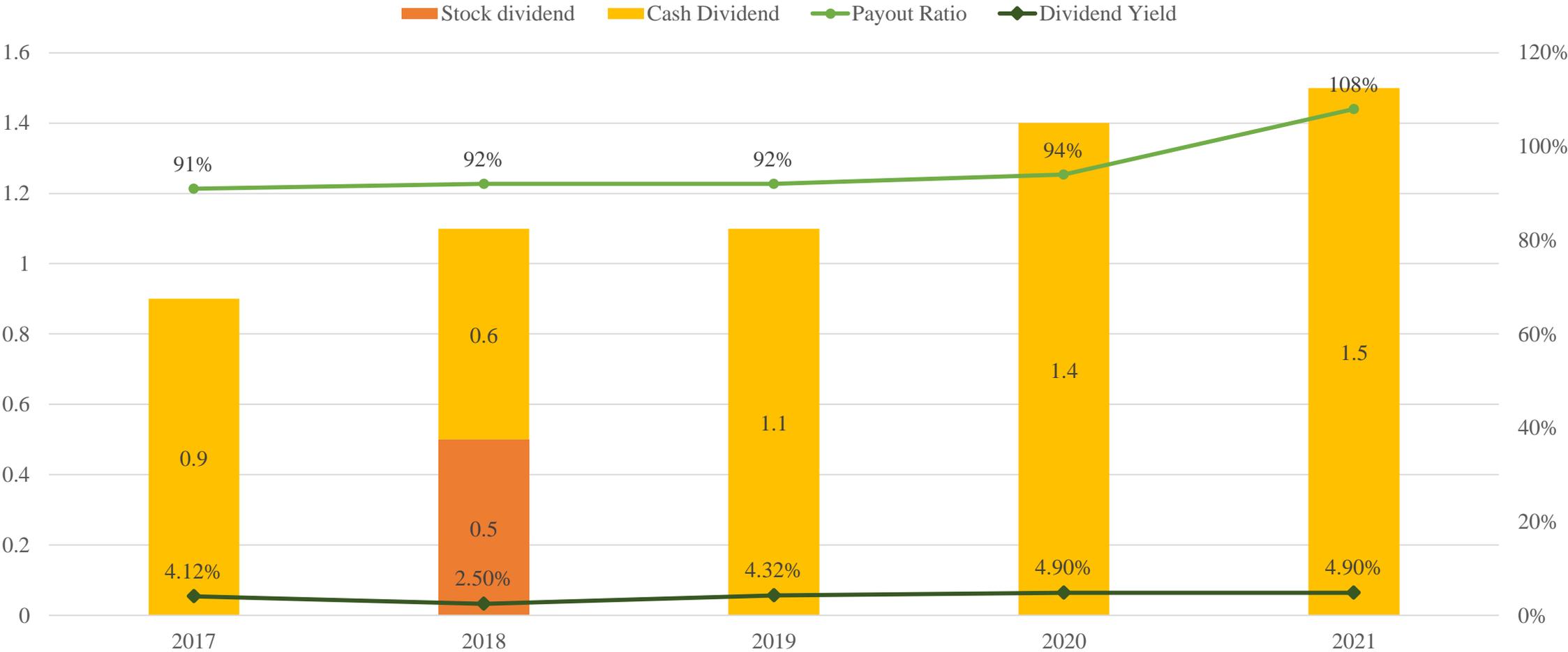


Financial structure and Profitability

Analysis Item		2022H1	2021	2020
Financial structure	Debt ratio (%)	57.65	53.71	54.11
	Ratio of long-term capital to property, plant and equipment (%)	124.78	144.44	110.28
Profitability	Asset return ratio (%)	3.08	4.20	4.63
	Return on shareholders' equity (%)	6.08	8.45	9.56
	Ratio of profit from operations to paid-in capital (%)	10.02	18.76	21.36
	Ratio of net profit before tax to paid-in capital (%)	9.60	17.38	17.49
	Net profit ratio (%)	5.73	8.53	9.89
	EPS	0.48	1.39	1.49



Dividend

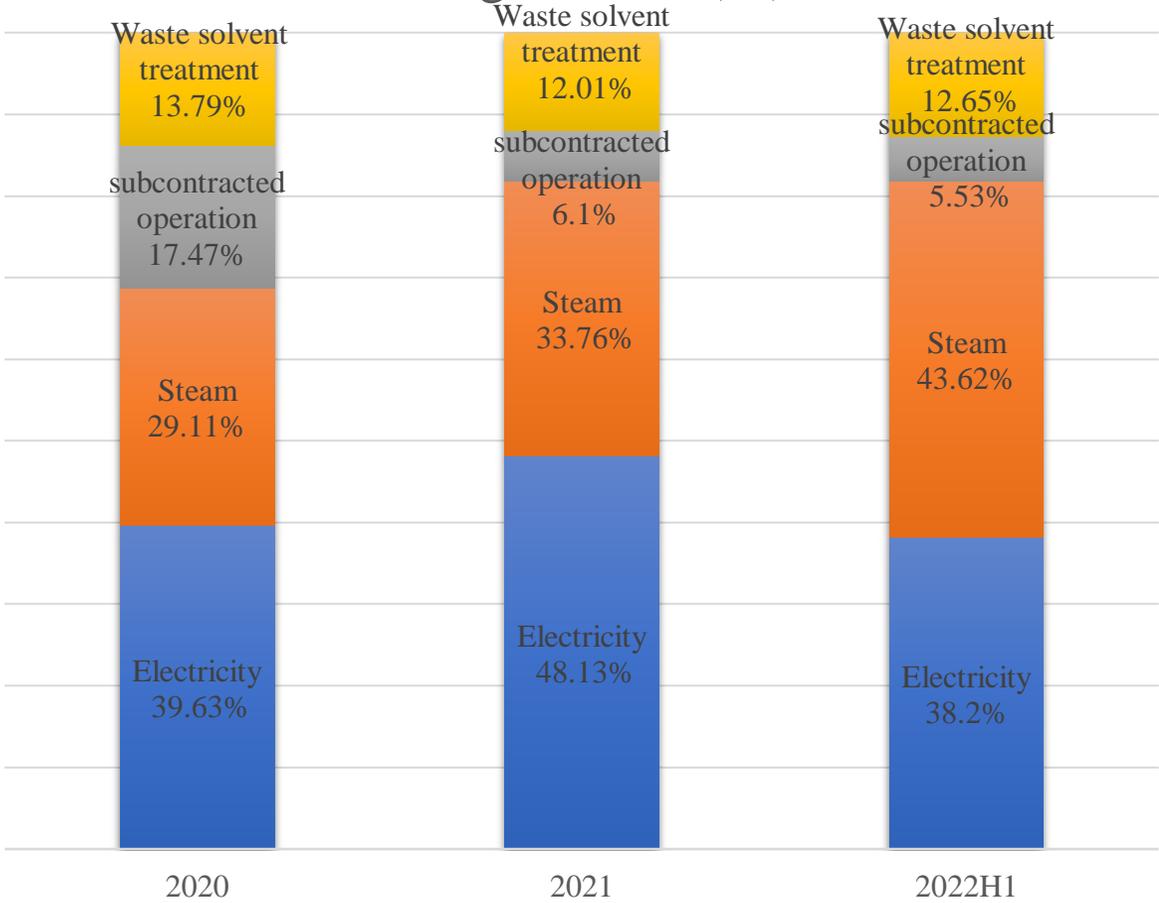


3. Business Operation Overview

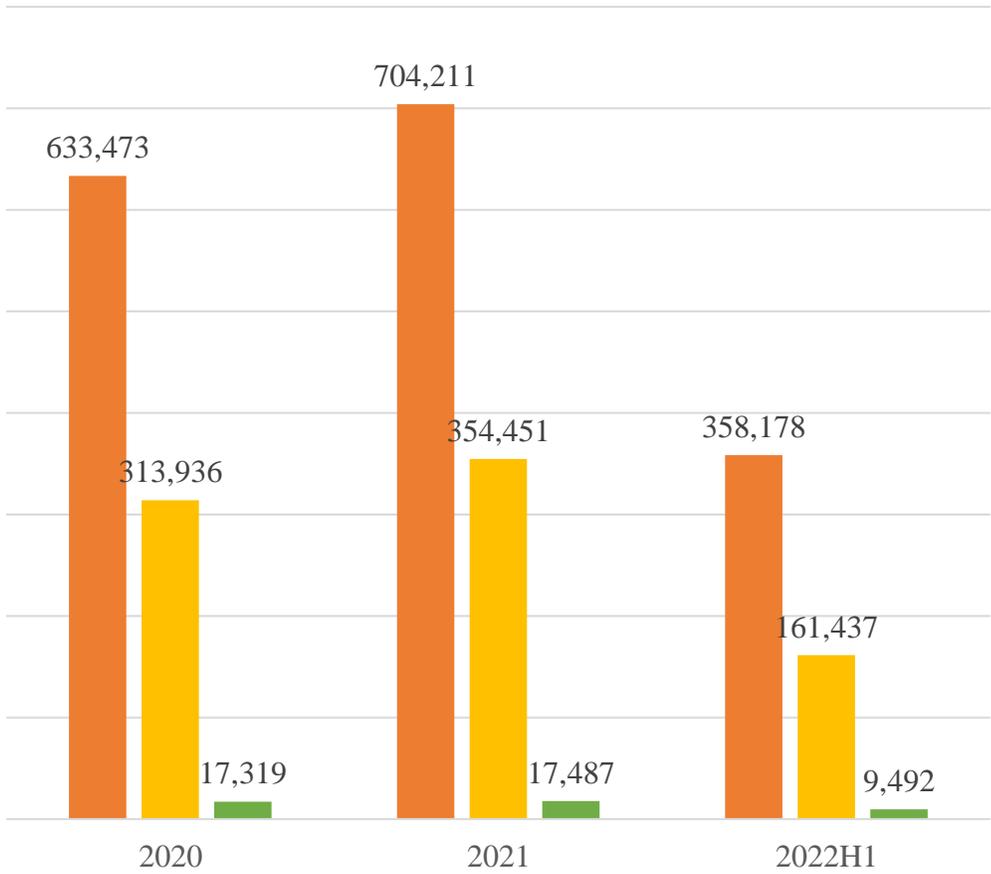


Percentage of sale and sale volume

Percentage of Sale(%)



Sales Volume



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



Market Share

Unit: MW

Capacity share of cogeneration market installations	2020	2021	2022H1
Domestic cogeneration system	7,149	6,536	6,522
The Company	68	82	82
Market Share	0.95%	1.25%	1.26%

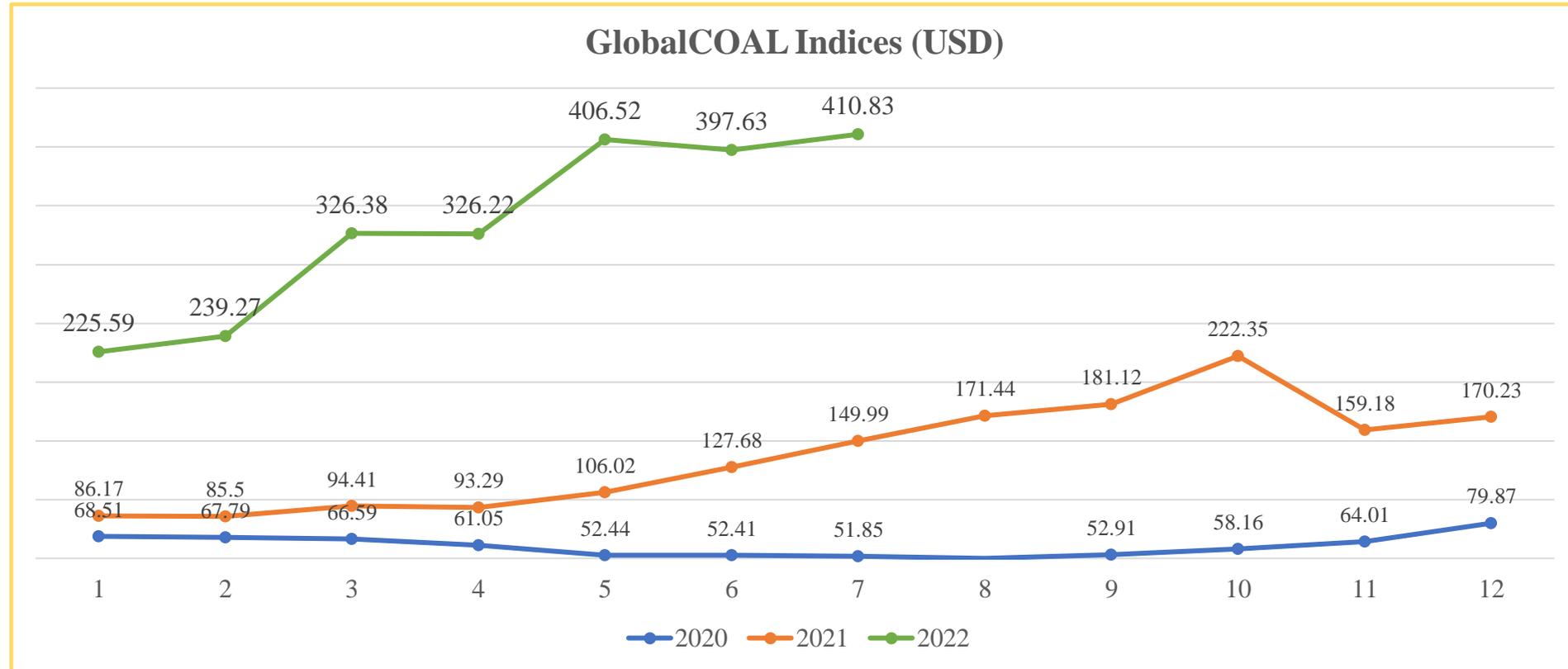
Source: Bureau of Energy, Ministry of Economic Affairs and the Company

Market share of waste disposal	2020		2021		2022Q1	
	Amount (tons)	Market share	Amount (tons)	Market share	Amount (tons)	Market share
C-0301	6,220	2.20%	6,327	1.99%	1,669	1.97%
D-1504	11,120	6.09%	11,160	5.55%	3,337	6.80%
R-0906	3,429	6.24%	6,319	10.47%	739	5.67%
R-0902	-	-	2,078	3.32%	625	3.97%

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



Coal Price

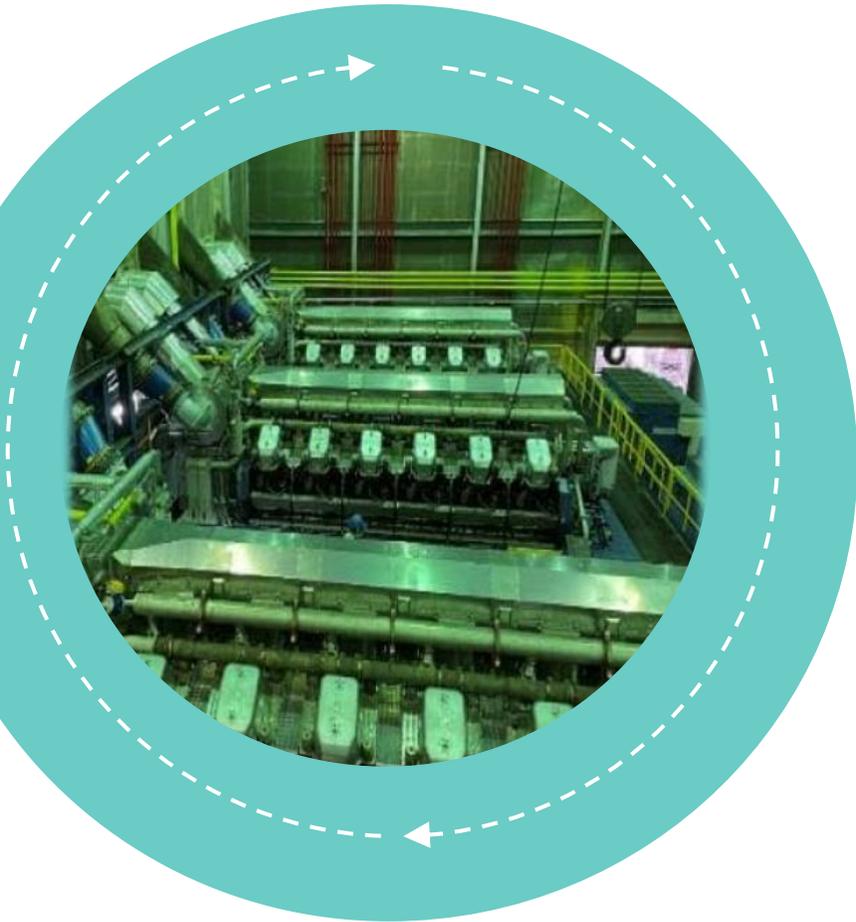


Electricity Price

RATE SCHEDULES(Tax included)									
Time of Use Rate	Classification			Price from April 1, 2018		Price from July 1, 2018		Diff	
				Summer	Non-Summer	Summer	Non-Summer	Summer	Non-Summer
High Voltage	Regular Contracted Demand			223.60	166.90	223.60	166.90	-	-
	Energy Charge	Monday To Friday	Peak Period	4.67	-	5.31	-	13.70%	-
			Partial-Peak Period	2.90	2.82	3.54	3.44	22.07%	21.99%
		Saturday	1.78	1.71	1.78	1.71	-	-	
		Sunday & Off-Peak day	1.32	1.26	1.58	1.50	19.70%	19.05%	
Extra High Voltage	Regular Contracted Demand			217.30	160.60	217.30	160.60	-	-
	Energy Charge	Monday To Friday	Peak Period	4.61	-	5.19	-	12.58%	-
			Partial-Peak Period	2.87	2.78	3.47	3.36	20.91%	20.86%
		Saturday	1.73	1.65	1.73	1.65	-	-	
		Sunday & Off-Peak day	1.29	1.22	1.53	1.44	18.60%	18.03%	



Innovation Value of the heavy fuel transformed to the natural gas for power generation sets



Items	Diff
Electrical Efficiency	+6%
Electricity Carbon Emission Factor	-35%
SO _x	-99%
NO _x	-77%
Particulate Matter Pollution	-98%



4.Future Development Strategies



1 Improve the level of corporate governance and gradually import 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 Carry out talent cultivation, reserve mainstream executives, and implement grassroots staff education.

6 Take root in the business philosophy and corporate culture of "loyalty, sincerity, faith, and practice".



The Company

- ✔ Improve the risk management of Cyber Security and establish a dedicated information security unit.
- ✔ Preparation of sustainability report which follows the editorial standards of the Global Reporting Initiative(GRI).



Cogeneration Plant

- ✔ Cooperate with Taipower's revised measures of “Purchase power generated by qualified cogeneration units” to run at full load.
- ✔ Continue to research and develop the technologies of G1 and G2 carbon emission reduction to progressively reduce carbon emissions.



Renewable Energy Plant

01 SRF renewable fuel manufacturing process will officially put into production in September 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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