

# Taiwan Cogeneration Corporation

## INVESTOR CONFERENCE

2024.11.27



# Presentation Content

- 1 | Company Profile
- 2 | Financial Statement
- 3 | Operating Situation
- 4 | Business Overview

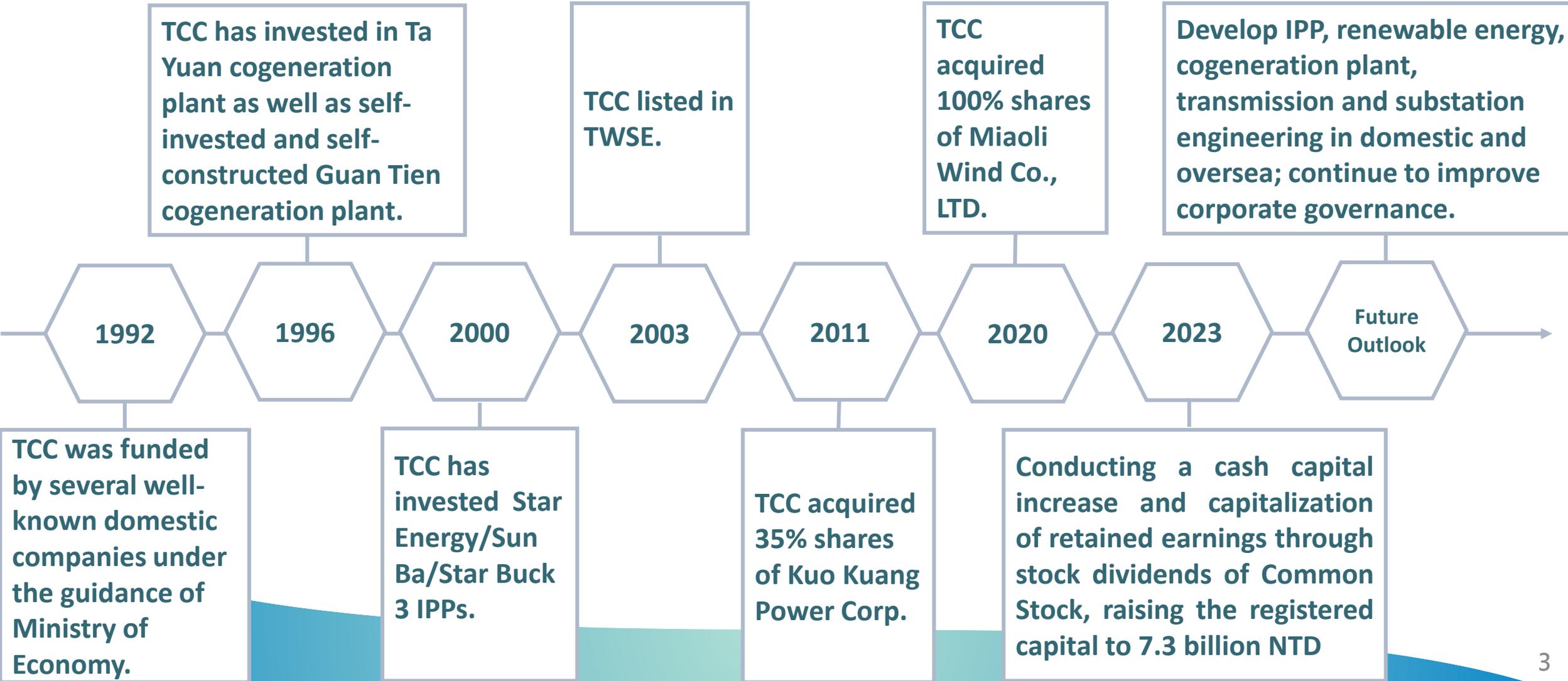
# Company Profile

## Taiwan Cogeneration Corporation ( TCC )

- Chairman : Shun-I Huang
- Date of Establishment : 1992
- Date of Listing : 2003 ( Code: 8926 )
- Capital : NT\$7.3 Billions
- Main Business : Power Industry
  - Power Generation Business
  - Engineering Business
  - Investment Business

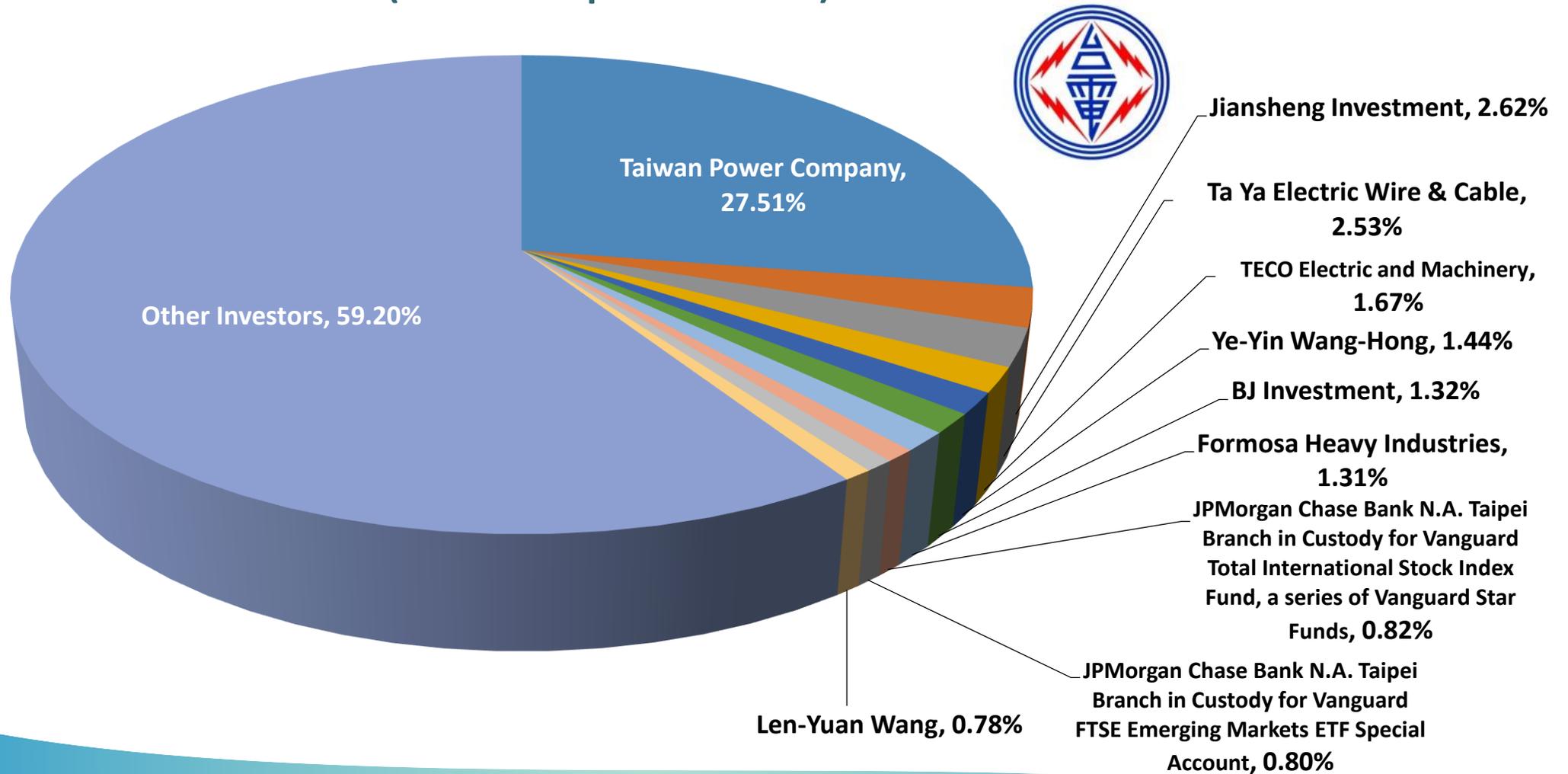
# Company Profile

## Development Track



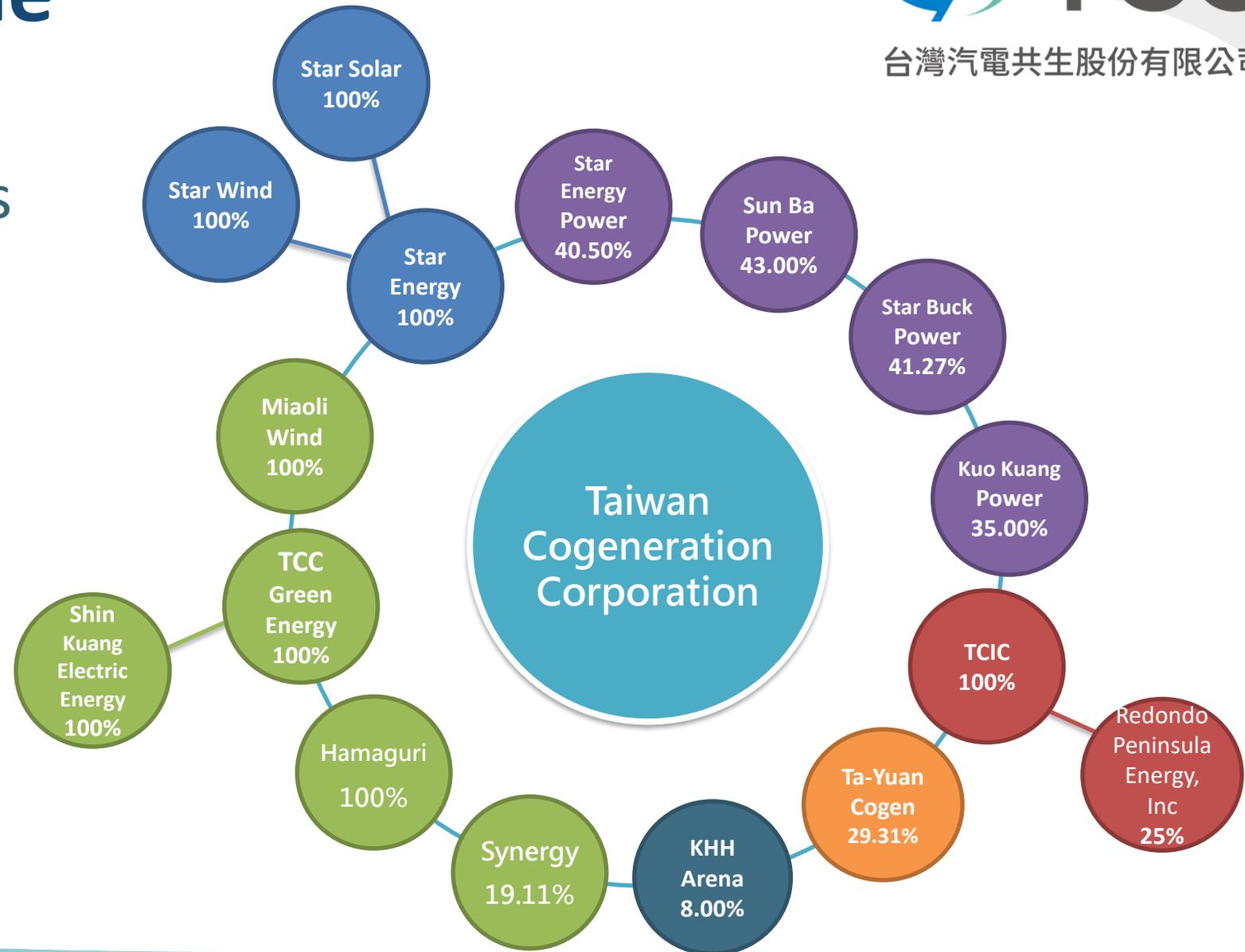
# Company Profile

## TCC's Shareholders (As of April 2024)



# Company Profile

TCC has invested in total of 16 companies



# Company Profile

Name of the Investee Company	Capital (NT\$ Millions)	Shareholding by TCC (%)	Main Business
Ta -Yuan Cogen Co., Ltd.	1,223	29%	Operation of cogeneration plant (82MW)
Star Energy Power Corporation	3,000	41%	Operation of gas-fired power plant (507MW)
Sun Ba Power Corporation	12,000	43%	Operation of gas-fired power plant (1,014MW)
Star Buck Power Corporation	3,300	41%	Operation of gas-fired power plant (490MW)
Kuo Kuang Power Co., Ltd	3,278	35%	Operation of gas-fired power plant (480MW)
Star Energy Corporation	1,427	100%	Construction and engineering service for power, renewable energy related
Star Wind Corporation	518	100%	Wind power
Star Solar Corporation	240	100%	Floating solar power plant
Taiwan Cogeneration International Corp.	685	100%	Oversea investment
Redondo Peninsula Energy, Inc.	2,293	25%	Development of power plant in Subic Bay, Philippines
KHH Arena Corporation	2,500	8%	Operation of Kaohsiung Arena and its related facilities
TCC Green Energy Corp.	105	100%	Retailer of renewable energy and provide ancillary services
Shin Kuang Electric Energy Co., Ltd.	80	100%	Solar power
Miaoli Wind Co., Ltd.	514	100%	Wind power
Hamaguri Co., Ltd.	100	100%	Investment of aquavoltaics
Synergy Co., Ltd.	100	19%	Development and maintenance of renewable energy

# Financial Statement

## Consolidated Income Statement



台灣汽電共生股份有限公司

Unit: Thousand NTD	2024 Q3	2023 Q3 (after restatement)		YOY
Operating Revenues	6,548,105	3,882,273	2,665,832	69%
Operating Costs	6,030,307	3,468,381	2,561,926	74%
Realized (Unrealized) Gain on Transactions with Associates	24,187	(29,178)	53,365	-183%
Realized Gross Profit	541,985	384,714	157,271	41%
Gross Margin	8%	10%		-2%
Operating Expenses	307,029	424,122	(117,093)	-28%
Profit (Loss) from Operations	234,956	(39,408)	274,364	-696%
Operating Net Profit Margin	4%	-1%		5%
Non-Operating Income and Expenses	777,186	1,150,131	(372,945)	-32%
Profit before Income Tax	1,012,142	1,110,723	(98,581)	-9%
Income Tax Expense	(40,801)	(50,549)	9,748	-19%
(Loss) Profit from Discontinued Operations	(7,200)	745	(7,945)	-1066%
Net Profit	964,141	1,060,919	(96,778)	-9%
Net Profit_ Owners of the Corporation	967,003	1,061,446	(94,443)	-9%
EPS (NT\$)	1.32	1.58	(0.26)	-16%

# Financial Statement

## Consolidated Balance Sheet



台灣汽電共生股份有限公司

Unit: Thousand NTD	2024.9.30		2023.9.30	
<b>Current Assets</b>	7,291,252	27.4%	5,693,018	22.3%
<b>Non-Current Assets</b>	19,321,988	72.6%	19,789,368	77.7%
<b>Financial Assets at Fair Value through   Other Comprehensive Income</b>	267,854	1.0%	266,520	1.0%
<b>Investments Accounted for Using   Equity Method</b>	13,841,447	52.0%	13,843,889	54.3%
<b>Property, Plant and Equipment</b>	4,060,529	15.3%	3,846,260	15.1%
<b>Other Assets</b>	1,152,158	4.3%	1,832,699	7.3%
<b>Total Assets</b>	26,613,240	100.0%	25,482,386	100.0%
<b>Current Liabilities</b>	8,169,807	30.7%	5,030,436	19.7%
<b>Non-Current Liabilities</b>	3,440,157	12.9%	5,016,929	19.7%
<b>Total Liabilities</b>	11,609,964	43.6%	10,047,365	39.4%
<b>Equity Attributable to Owners of the Corporation</b>	15,003,276	56.4%	15,278,717	60.0%
<b>Non-Controlling Interests</b>	-	-%	156,304	0.6%
<b>ROA</b>		5%		6%
<b>ROE</b>		8%		10%
<b>Current Ratio</b>		89%		113%
<b>Quick Ratio</b>		44%		60%

# Financial Statement



台灣汽電共生股份有限公司

## Consolidated Cash Flow

Unit: Thousand NTD	2024 Q3	2023 Q3 (after restatement)	YOY
<b>From (Used in) Operating Activities</b>	867,561	(295,377)	1,162,938
<b>From (Used in) Investing Activities</b>	126,815	(1,245,579)	1,372,394
<b>(Used in) From Financing Activities</b>	(1,247,282)	113,405	(1,360,687)
<b>Effects of Exchange Rate</b>	510	(3,070)	3,580
<b>Net Decrease in Cash</b>	(252,396)	(1,430,621)	1,178,225
<b>Beginning Balance</b>	<u>1,922,822</u>	<u>3,734,653</u>	(1,811,831)
<b>Ending Balance</b>	<u>1,670,426</u>	<u>2,304,032</u>	(633,606)

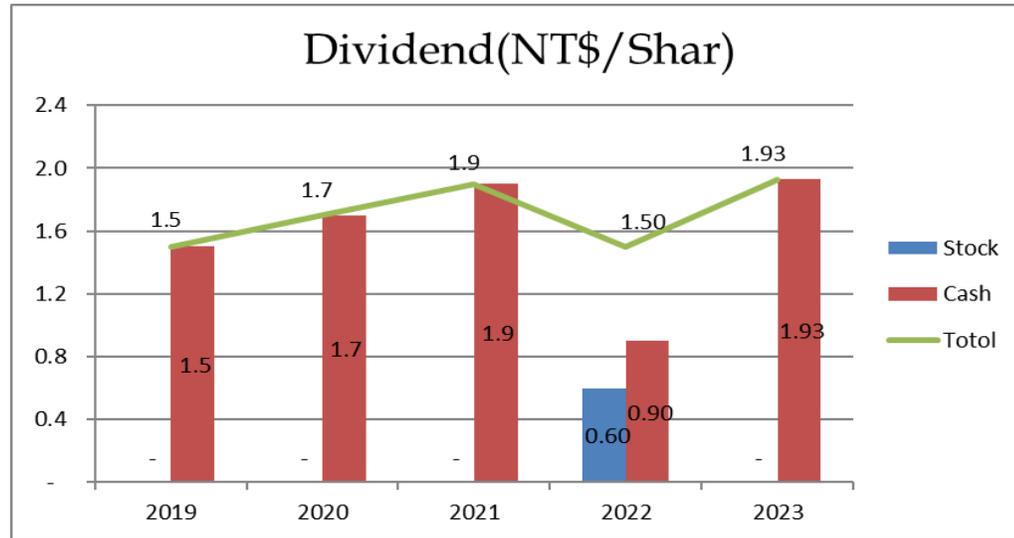
# Financial Statement

## Consolidated Revenue

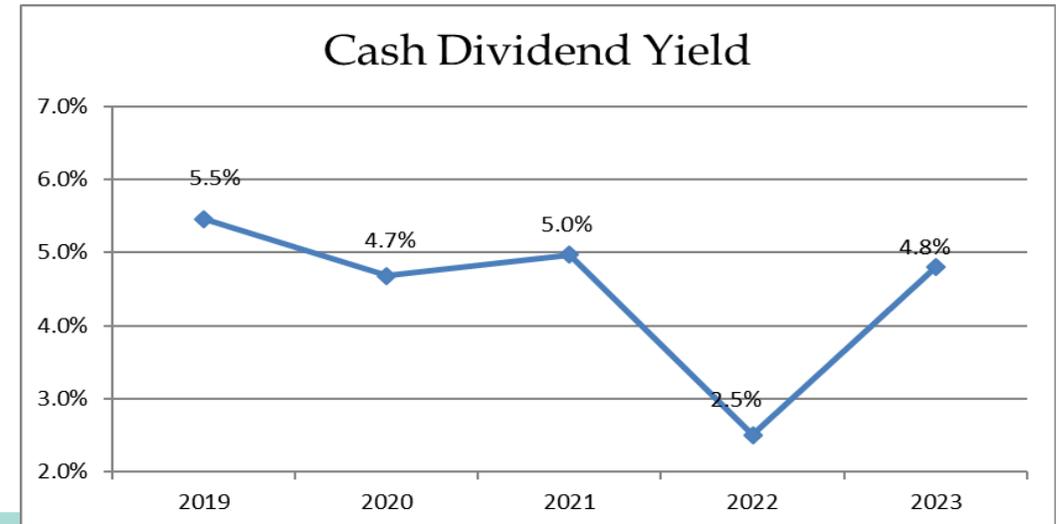
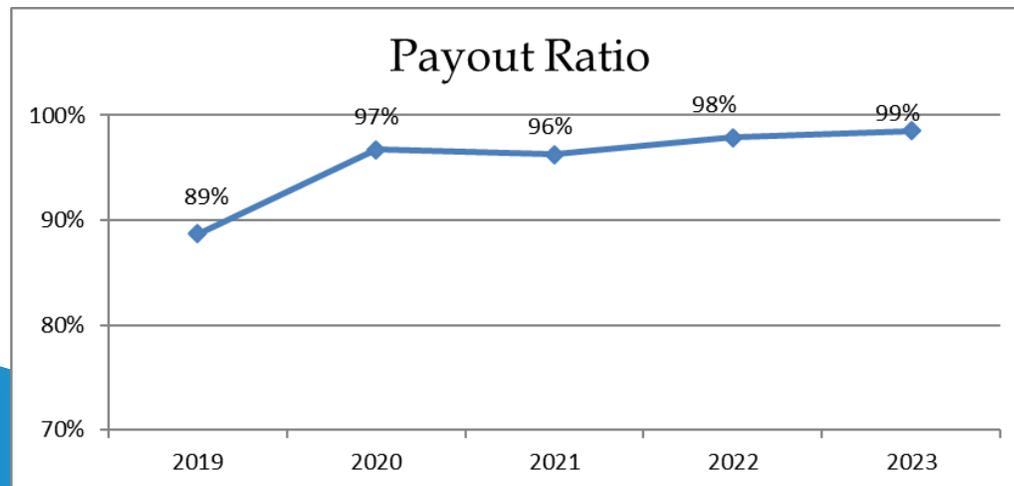
Unit: Thousand NTD	2024/1-10	2023/1-10 (after restatement)	YOY	
<b>Sales</b>	1,241,591	1,227,464	14,127	1%
<b>Research, Consulting and Construction Services</b>	6,064,107	2,976,875	3,087,232	104%
<b>Total</b>	7,305,698	4,204,339	3,101,359	74%

# Financial Statement

## Dividend



- Dividends are maintain a certain level
- Payout Ratio more than 89%
- 2022 Yields fall on partial reshuffling of stock dividends



# Operating Situation

## Guan Tian Cogeneration Plant

Short-term:

A

- Increase the usage of alternative fuels such as scrap tires and SRF.
- Establish the carbon tax issue response team and develop related strategies.

Medium to Long-term:

B

- Evaluate further reduction of coal consumption or consider power plant unit upgrades.



# Operating Situation

## IPPS

- 1) **Increase capacity factor and optimize reliability**
- 2) **Move forward with Low-carbon power generation**
  - Keep up with the development of new technologies for gas-fired power plants, including CCUS and hydrogen/ammonia-firing.
- 3) **Response to PPA (Power Purchase Agreement) Expiry**
  - Discussion of IPP's future business direction and strategy



# Operating Situation

## IPPS

### 3) Concerted action decision made by Fair Trade Committee

- Regarding to the retrial, the Supreme Administrative Court transferred the part concerning the competitive relationship of the concerted actions proposed by Sun Ba and Star Energy to the Taipei High Administrative Court for further review. The part concerning the consent of the concerted actions proposed was rejected for retrial. As for the Star Buck, the appeal for retrial was dismissed.
- Regarding the fine, the mediation between IPPs and Fair Trade Commission is in process.

# Operating Situation

IPPS

## 3) Taipower's damage claim

- For civil lawsuits, the case for Sun Ba Power and Star Energy Power have been transferred to the Supreme Court for trial. The case for Star Buck Energy, the Supreme Court ruled to annul the original judgment and remanded it to the Taiwan High Court for trial.

# Operating Situation

## Corporate Governance and Corporate Social Responsibility

- TCC was awarded 2024 CommonWealth Magazine “Excellence in Corporate Social Responsibility Award” and “Talent Sustainability Award”.
- GHG inventories: TCC has started collecting 2024 GHG inventory data (parent company).

# Business Overview

## Overseas Business

- The Philippine RP Energy coal-fired power plant project
  - In line with the Philippine government's policy of suspending the construction of new coal-fired power plants, the development of RPE coal-fired power plant is currently on hold and we will seek other possible alternatives.
- Development of other overseas business



# Business Overview

## IPPs

- Sun Ba Power Plant Phase II
  - The official dispatch day (ODD) of the power plant is September 20.
  - Sun Ba has submitted the application of inspection for completion of work (electricity business license application) on September 26, the application is under review by the Energy Administration.
- Kuo Kuang Power Plant
  - KKPC passed the environmental impact assessment review on September 11.
  - Soil pollution control plan was approved on September 12.
  - The procurement tender of gas-fired power plant (COD by 2028) was announced by Taipower on November 14. KKPC will keep making an effort to obtain the bid of power procurement tender from Taipower.

## Wind & Solar Power

### **Offshore Wind Power Engineering**

- The construction of onshore substations EPC project for the Greater Changhua 2b & 4 is currently implemented.
- The onshore substations EPC project for TPC Offshore Wind Farms Phase II is currently implemented by Star Energy.
- Continue to strive for offshore wind power onshore substation EPC projects.

# Business Overview

## Renewable Energy Investment

### Onshore Wind Power Investment

- The wind power plant project in Changhua-Fangyuan and Changhua-Hanbao are currently implemented.
- Due to the age of wind turbines, it is planned to accelerate the repowering of Miaoli Wind Co., Ltd. The Chunan Wind Farm is at the stage of applying the consent letter from local competent authority, while the Dapong Wind Farm's EIA process is ongoing.

## Renewable Energy Investment

### **Solar Power Engineering and Investment**

- Fishery and electricity symbiosis project in Changhua is at the stage of applying the consent letter from local competent authority.
- Star Solar's Wushantou floating photovoltaic project application is under process.
- Assess the opportunity of participating in other solar project tenders.

# Business Overview

## Renewable Energy Investment

### **Mt. Datun Geothermal Development**

- TCC signed an MOU for cooperation on Mt. Datun geothermal development project with Taipower, Baseload Power Taiwan, GreenFire Energy, and other international and domestic companies on October 1.

## Renewable Energy Retailing

- TCC Green Energy is the only company of renewable energy retailing enterprise to supply wind power, solar power and hydroelectric power, and has sold 580 million kWh of renewable energy.
- The number of customers continues to increase, including benchmarks in technology, financial, fashion retailing, telecommunications, and traditional manufacturing industries. Additionally, we have cooperated with external renewable energy generation companies, increasing our sources of renewable energy supply.
- Participate in the Energy Trading Platform and provide ancillary services.
- Continue to explore business opportunities for ancillary services.

# Please Advise



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