

Taiwan Cogeneration Corporation

INVESTOR CONFERENCE

2023.11.23



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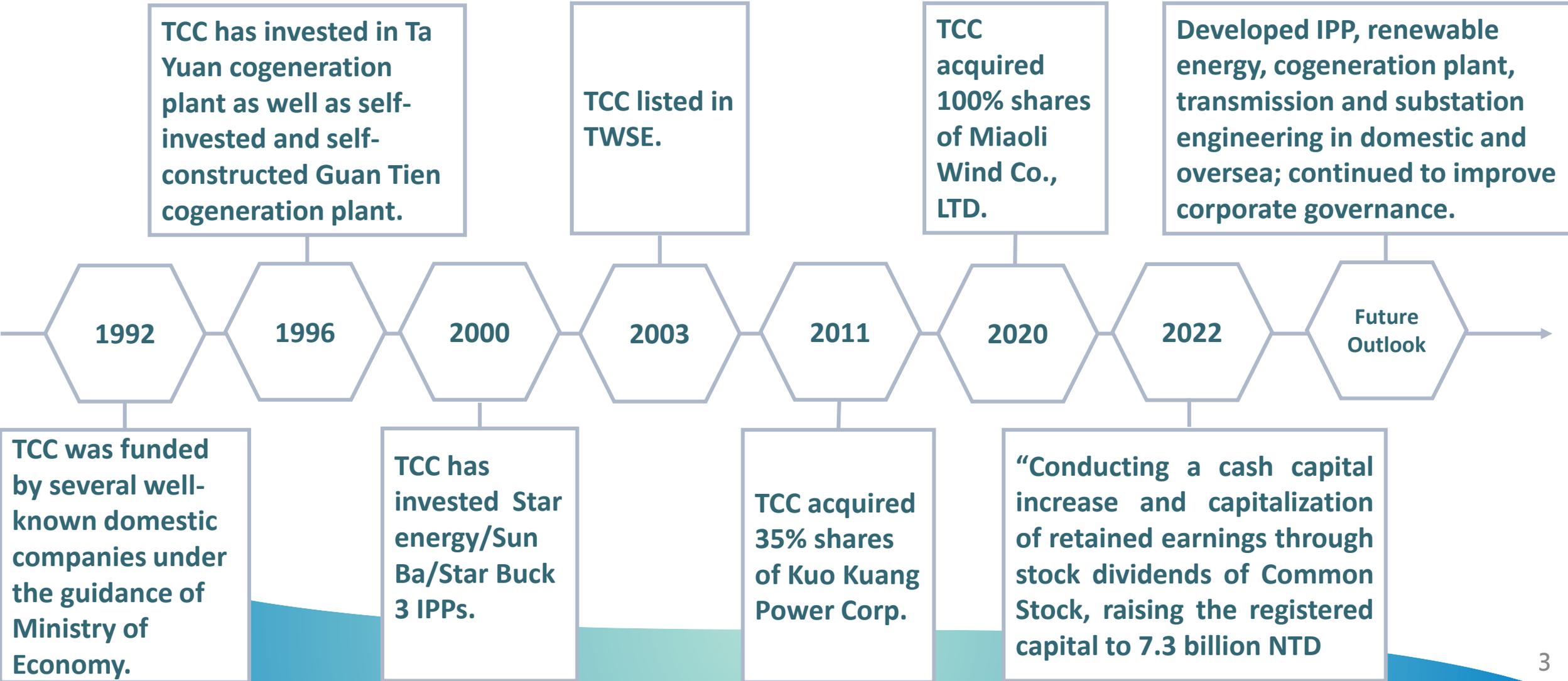
Company Profile

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

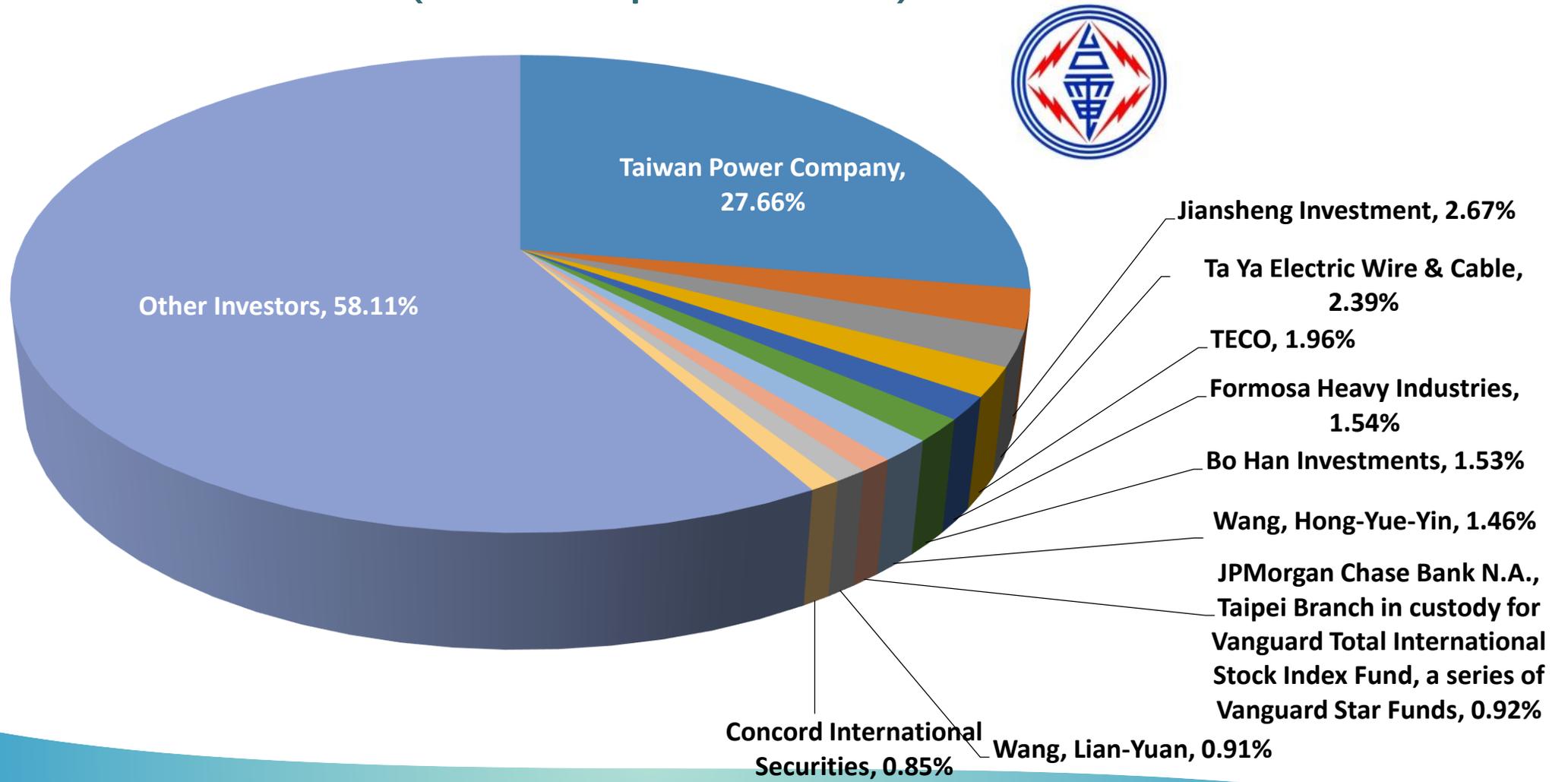
Company Profile

Development Track



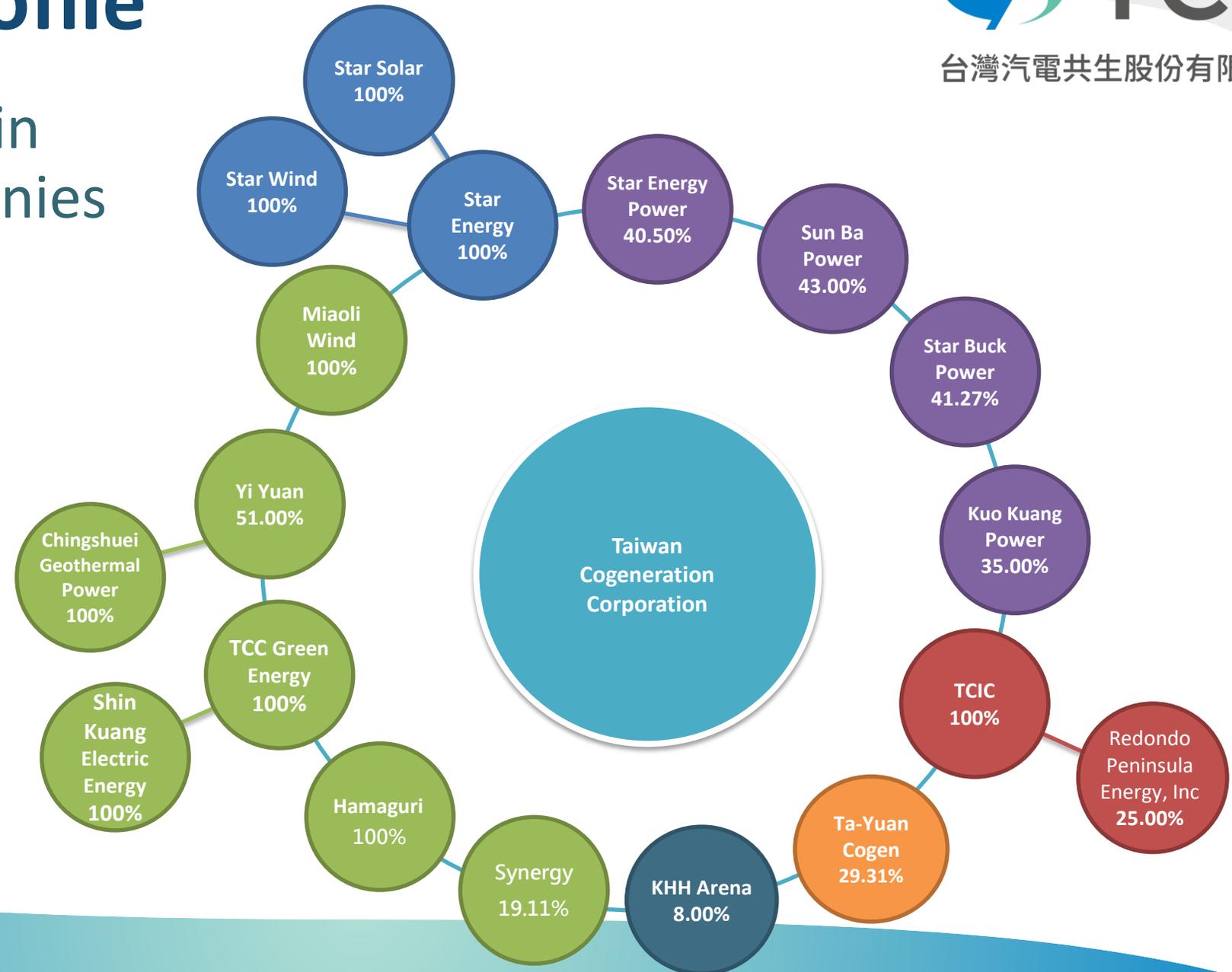
Company Profile

TCC's Shareholders (As of April 2023)



Company Profile

TCC has invested in total of 18 companies



Company Profile

Name of the Investee Company	Capital (NT\$ Millions)	Shareholding by TCC (%)	Main Business
Ta Yuan Cogeneration Corporation	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	11,800	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 Corporation	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	178	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
Yi Yuan Corporation	300	51%	Investment of geothermal power
Chingshuei Geothermal Power Corp.	276	51%	Geothermal power
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



台灣汽電共生股份有限公司

Consolidated Income Statement

Unit: Thousand NTD	2023 Q1~3	2022 Q1~3		YOY
Revenues	3,935,248	2,605,863	1,329,385	51%
Costs	3,513,037	2,307,213	1,205,824	52%
Realized Gain on Transactions with Associates	(29,178)	11,482	(40,660)	-354%
Realized Gross Profit	393,033	310,132	82,901	27%
Gross Margin	10%	12%		-2%
Operating Expense	425,182	267,704	157,478	59%
Operating Net Profit	(32,149)	42,428	(74,577)	-176%
Operating Net Profit Margin	-1%	2%		-2%
Non-Operating Items	1,143,762	316,306	827,456	262%
Pre-Tax Net Profit	1,111,613	358,734	752,879	210%
Income Tax Expense	(50,694)	(42,885)	(7,809)	18%
Net Profit	1,060,919	315,849	745,070	236%
Net Profit_ Owners of the Corporation	1,061,446	306,689	754,757	246%
EPS (NT\$)	1.58	0.49	1.09	222%

Financial Statement



台灣汽電共生股份有限公司

Consolidated Balance Sheet

Unit: Thousand NTD	2023.9.30		2022.9.30	
Current Assets	5,693,018	22.3%	5,432,590	23.4%
Non Current Assets	19,789,368	77.5%	17,791,983	76.8%
Available-for-sale Financial Assets	266,520	1.0%	267,310	1.2%
Investments Accounted for Using Equity Method	13,843,889	54.2%	12,556,172	54.1%
Property, Plant and Equipment	3,846,260	15.1%	3,173,603	13.7%
Other Assets	1,832,699	7.2%	1,794,898	7.8%
Total Assets	25,482,386	99.8%	23,224,573	100.2%
Current Liabilities	5,030,436	19.7%	4,834,630	20.8%
Non Current Liabilities	5,016,929	19.8%	7,157,443	30.8%
Total Liabilities	10,047,365	39.5%	11,992,073	51.6%
Shareholders Equity	15,278,717	60.0%	11,076,750	47.8%
Non-Controlling Interests	156,304	0.5%	155,750	0.7%
ROA		6%		2%
ROE		10%		4%
Current Ratio		113%		112%
Quick Ratio		52%		63%

Financial Statement



台灣汽電共生股份有限公司

Consolidated Cash Flow

Unit: Thousand NTD	2023 Q1~3	2022 Q1~3	YOY
From Operating Activities	(295,377)	499,702	(795,079)
From Investing Activities	(1,245,579)	(285,396)	(960,183)
From Financing Activities	113,405	(397,387)	510,792
Effect of Exchange Rate	(3,070)	13,445	(16,515)
Net Change in Cash	(1,430,621)	(169,636)	(1,260,985)
Beginning Balance	<u>3,734,653</u>	<u>2,763,822</u>	970,831
Ending Balance	<u>2,304,032</u>	<u>2,594,186</u>	(290,154)

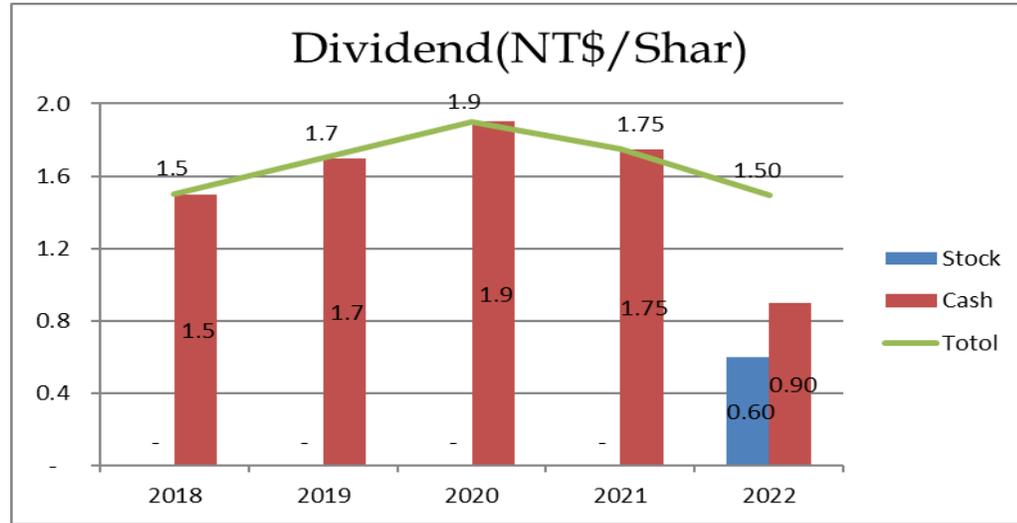
Financial Statement

Consolidated Revenue

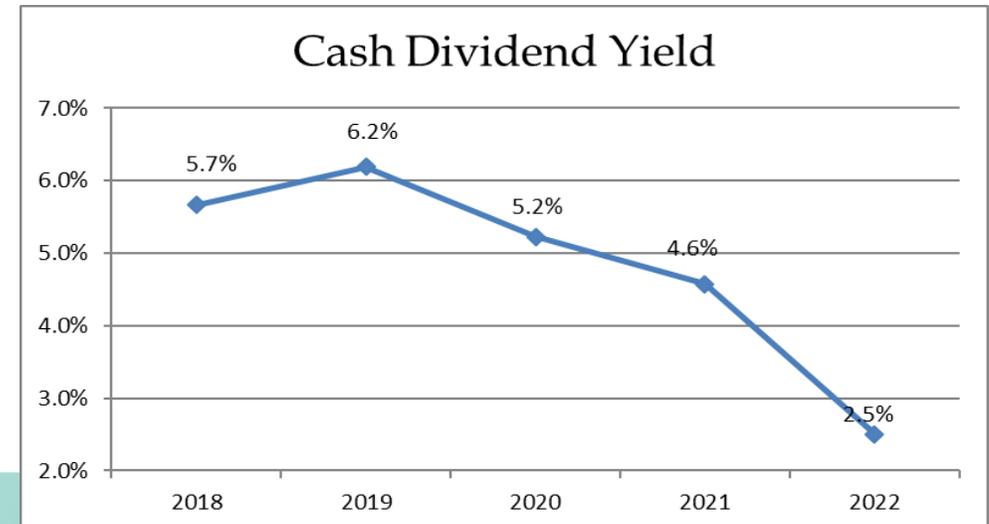
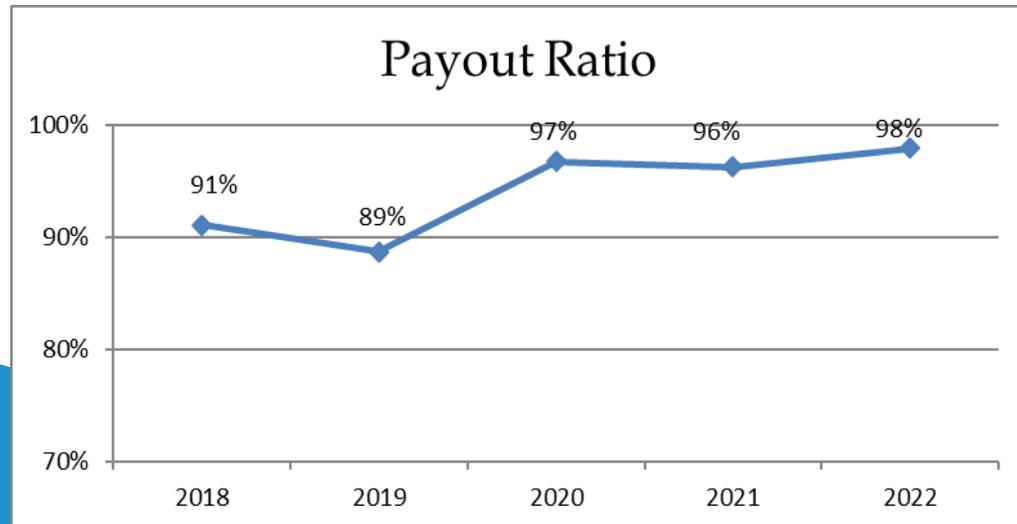
Unit: Thousand NTD	2023/1-10	2022/1-10	YOY	
Sales	1,284,143	1,315,346	(31,203)	-2%
Research, Consulting and Construction Services	2,976,875	1,627,556	1,349,319	83%
Total	4,261,018	2,942,902	1,318,116	45%

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

A

Short-term:

Increase the usage of alternative fuels such as scrap tires and SRF.

B

Medium to Long-term:

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



Operating Situation

IPPS

1) Increase capacity factor and optimize reliability

- Sun Ba Power Corp., Star Energy Power Corp., Star Buck Power corp., and Kuo Kuang Power Corp. have obtained the licenses to increase the capacity factor to 70%, and the actual capacity factor will depend on the dispatch of Taipower.



Operating Situation

IPPS

- 2) Move forward with Low-carbon power generation
- 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

- The Supreme Administrative Court render the final and binding judgment “Reverse the original judgment. Appellee's appeal in the first trial is dismissed.” to Star Buck power, Star Power, and Sun Ba power.
- All the IPPs have filed for relief in the retrial.

After the appeals of 4IPPs were rejected, all of them have initiated administrative lawsuits against the Fair Trade Commission's fines, and preparatory procedures were conducted on November 14, 2023.

Operating Situation

IPPS

3) Taipower's damage claim

- The original administrative lawsuit has been transferred to the Taipei District Court for trial, but Taipower withdrew the lawsuits against Sun Ba Power, Star Power, and Star Buck Power in June 2020.
- For civil lawsuits, the case for Sun Ba Power, Star Power, and Star Buck have been transferred to the Supreme Court for trial.

Operating Situation

Corporate Governance and Corporate Social Responsibility

- TCC was ranked 9th in medium-sized enterprises in 2023 Excellence in Corporate Social Responsibility Award.
- TCC received the 15th Taiwan Corporate Sustainability Awards :
 - TOP100 Corporate Sustainability Awards
 - Corporate Sustainability Report Awards



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
 - Sun Ba has obtained the bid of power procurement tender of gas-fired power plant with 2024 COD target issued by Taipower.
- Kuo Kuang Power Plant
 - KKPC will keep making an effort to obtain the bid of power procurement tender of gas-fired power plant 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 Foxwell Power Co., Ltd.'s Offshore Wind Farms Phase II is currently implemented by Star Energy.
- Continue to strive for offshore wind power onshore substation EPC projects.

Wind & Solar Power

Onshore Wind Power Investment

- The wind power plant project in Changhua-Fangyuan and Changhua-Hanbau 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 has obtained the Environmental Impact Assessment (EIA) approval letter, while the Dapong Wind Farm's EIA process is ongoing.

Wind & Solar Power

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 and the permit of setting up renewable energy power generation equipment.
- Star Solar's Wushantou floating photovoltaic project is applying for the permit of setting up renewable energy power generation equipment.

Business Overview

Retailer of Renewable Energy

- Fulfill renewable energy needs of more than 14 companies, range from technology, manufacturing, telecom, financial to retail industries.
- TCC Green Energy is the first company of renewable energy electricity retailing enterprise to supply wind power, solar power and hydroelectric power, and has sold more than 425 million kWh of renewable energy.
- Participate in the Energy Trading Platform and provide ancillary services.
- Continue to strive the business of ancillary services.

Please Advise



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