



Taiwan Cogeneration Corporation

INVESTOR CONFERENCE

2022.5.26



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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\$5.89 Billions
- Main business : Power Industry
 - Power generation business
 - Engineering business
 - Investment business

Company Profile



Development track

TCC has invested in Ta Yuan cogeneration plant as well as self-invested and self-constructed Kuan-Tien cogeneration plant.

TCC acquired 35% shares of Kuo Kuang Power Corp.

Developing of IPP, renewable energy, cogeneration plant, transmission and substation engineering in domestic and oversea ; continue to improve corporate governance

1992

1996

2000

2011

2020

2021

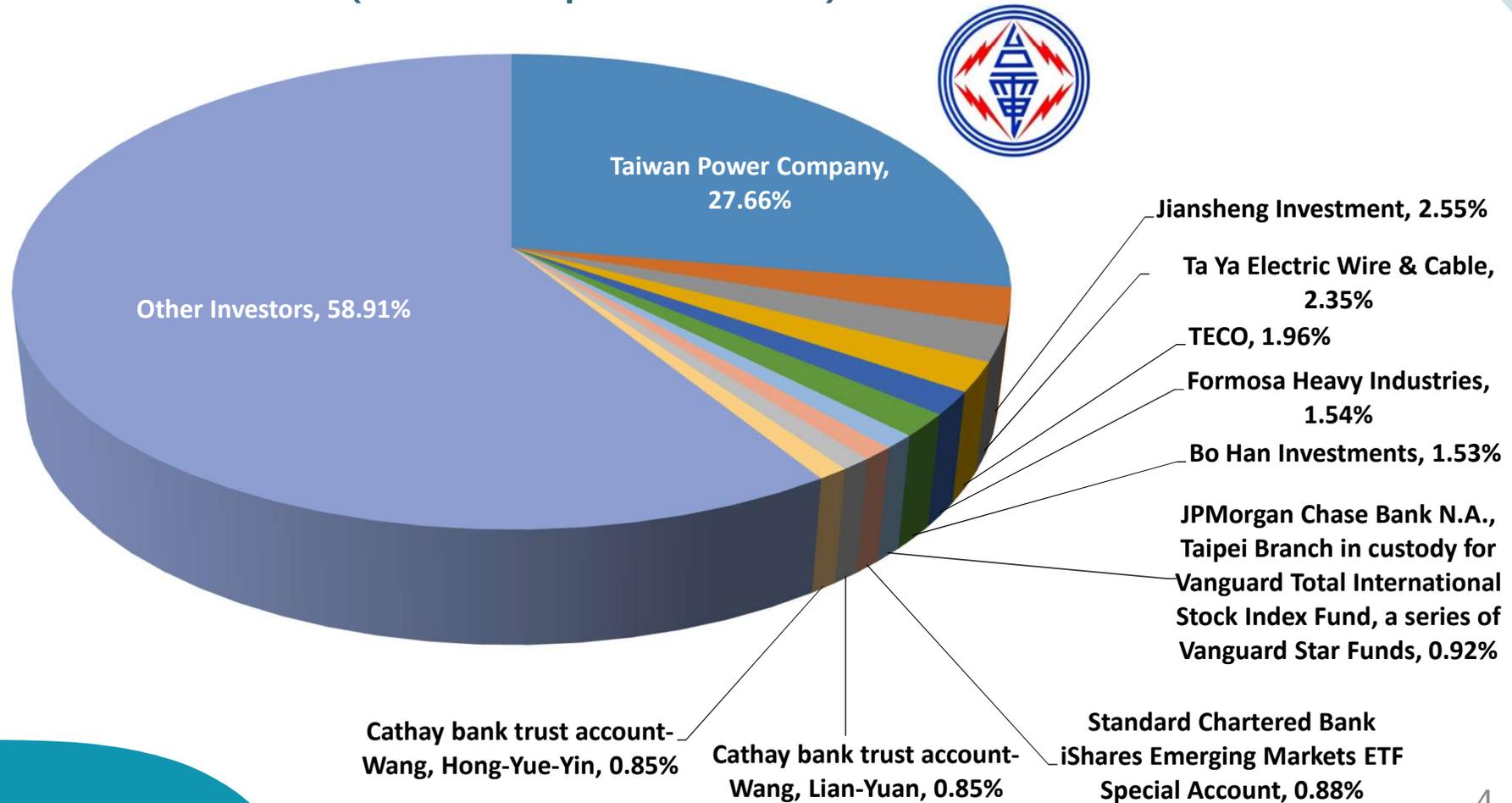
TCC was funded by several well-known domestic companies under the guidance of Ministry of Economy.

TCC has invested Star energy/Sun Ba/Star Buck 3 IPP companies
TCC listed OTC and transferred to TWSE.

TCC acquired 100% shares of Miaoli Wind Co., LTD.

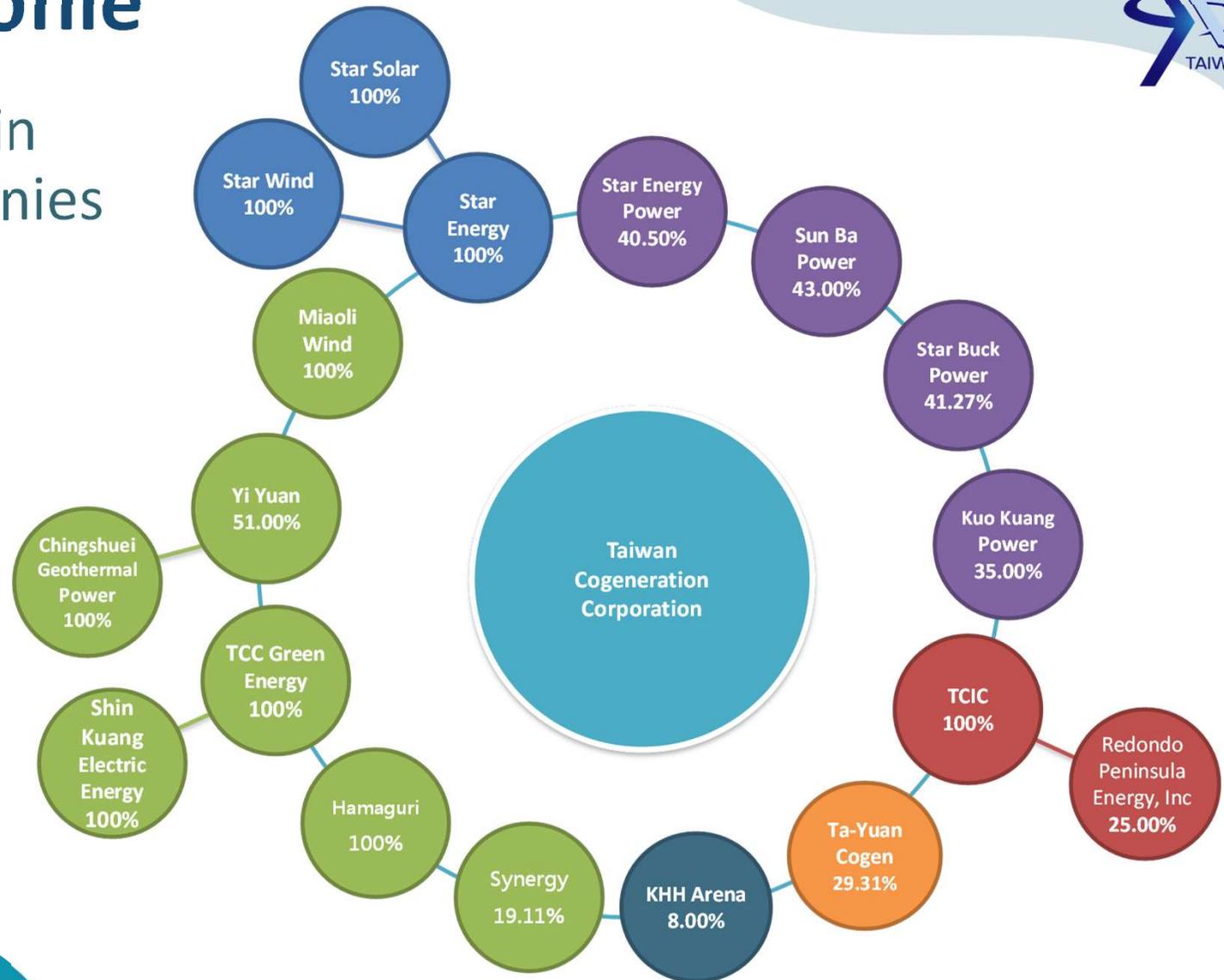
Company Profile

TCC's Shareholders (As of April 2022)



Company Profile

TCC has invested in total of 18 companies



Company Profile



COGEN

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	6,000	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 Corporation	3,278	35%	Operation of gas-fired Power plant (480MW)
Star Energy Corporation	1,189	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.	250	51%	Geothermal power
TCC Green Energy Corp.	175	100%	Retailer of renewable energy and provide ancillary services
Shin Kuang Electric Energy Co. Ltd.	170	100%	Solar power
Miaoli Wind Co., LTD.	714	100%	Wind power
Hamaguri Co., Ltd.	66.5	100%	Investment of aquavoltaics
Synergy Co., Ltd.	100	19%	Development and maintenance of renewable energy

Financial Statement



Consolidated Income Statement

Unit: Thousand NTD	2022 Q1	2021 Q1		YOY
Revenues	890,197	1,994,998	(1,104,801)	-55%
Costs	803,184	1,819,330	(1,016,146)	-56%
Realized gain on transactions with associates	2,465	6,506	(4,041)	-62%
Realized Gross Profit	89,478	182,174	(92,696)	-51%
Gross Margin	10%	9%		1%
Operating Expense	89,894	78,247	11,647	15%
Operating net profit	(416)	103,927	(104,343)	-100%
Operating net profit margin	0%	5%		-5%
Non-operating items	306,555	223,190	83,365	37%
Pre-tax net profit	306,139	327,117	(20,978)	-6%
Income tax expense	(18,960)	(28,046)	9,086	-32%
Net profit	287,179	299,071	(11,892)	-4%
Net profit_Owners of the Corporation	282,633	298,641	(16,008)	-5%
EPS (NT\$)	0.48	0.51	(0.03)	-6%

Financial Statement



Consolidated Balance Sheet

Unit: Thousand NTD	2022.3.31		2021.3.31	
Current Assets	5,877,694	24.5%	6,576,120	27.2%
Non Current Assets	18,090,686	75.4%	17,566,330	72.8%
Available-for-sale financial assets	272,510	1.1%	248,400	1.0%
Investments accounted for using equity method	12,902,975	53.8%	12,979,611	53.8%
Property, plant and equipment	3,082,126	12.9%	2,919,326	12.1%
Other assets	1,833,075	7.6%	1,418,993	5.9%
Total Assets	23,968,380	99.9%	24,142,450	100.0%
Current Liabilities	5,398,891	22.5%	5,222,000	21.6%
Non Current Liabilities	6,307,254	26.3%	6,432,782	26.7%
Total Liabilities	11,706,145	48.8%	11,654,782	48.3%
Shareholders Equity	12,111,099	50.5%	12,348,153	51.1%
Non-Controlling Interests	151,136	0.6%	139,515	0.6%
ROA		5%		5%
ROE		9%		10%
Current Ratio		109%		126%
Quick Ratio		62%		58%

Financial Statement



Consolidated Cash Flow

Unit: Thousand NTD	2022 Q1	2021 Q1	YOY
From Operating Activities	87,846	138,793	(50,947)
From Investing Activities	37,415	(303,854)	341,269
From Financing Activities	(197,368)	195,949	(393,317)
Effect of Exchange rate	7,131	(9,316)	16,447
Net Change in Cash	(64,976)	21,572	(86,548)
Beginning Balance	<u>2,763,822</u>	<u>1,603,210</u>	1,160,612
Ending Balance	<u>2,698,846</u>	<u>1,624,782</u>	1,074,064

Financial Statement

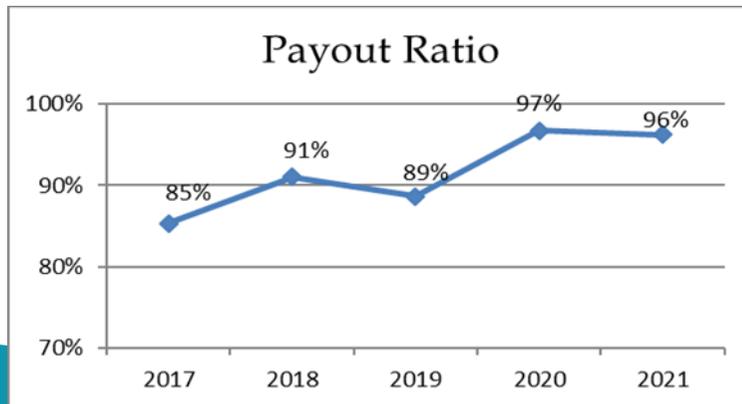
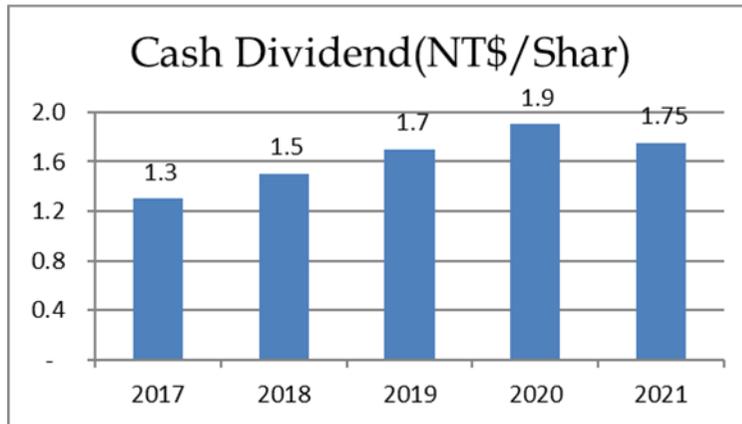


Consolidated Revenue

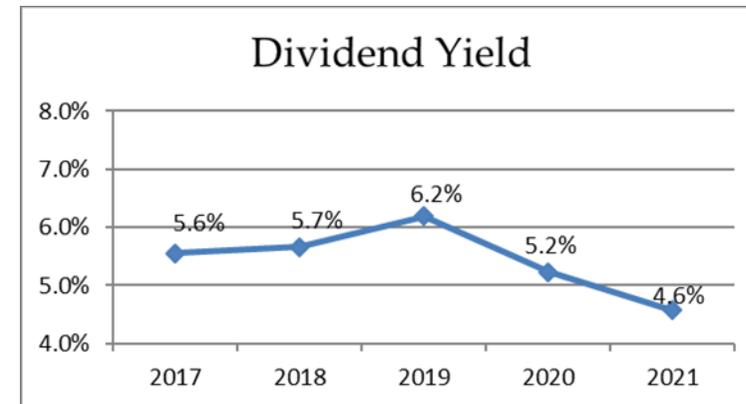
Unit: Thousand NTD	2022/1-4	2021/1-4	YOY	
Sales	439,632	403,557	36,075	9%
Research, consulting and construction services	855,073	2,165,472	-1,310,399	-61%
Total	1,294,705	2,569,029	-1,274,324	-50%

Financial Statement

Dividend



- Dividends are paid in cash and maintain a certain level
- Payout Ratio more than 80%
- Dividend yielding 4.6%~6.2%



Operating Situation

Guantian Cogeneration Plant

- Optimize the burning of scrap tires.
- Evaluating alternative fuels.
- Upgrade and extend the service life of generator sets.



Operating Situation

IPPS

1) Increasing of capacity factor and reliability

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



Operating Situation



IPPS

2) A fire occurred in the Star Buck Power Plant of Star Buck Power Corporation.

A fire occurred in the HRSG1, on January 24, 2021, of Star Buck Power Corporation (SBK).

SBK has completed the repair of HRSG1 and restored the power supply on April 24, 2022.

Operating Situation

IPPS

3) Concerted action decision made by Fair Trade Committee and Taipower's damage claim

- On May 13, 2020, the High Administrative Court again ruled to revoke the Concerted action decision made by Fair Trade Committee. However, the Fair Trade Committee appealed on June 15, 2020. This case is still before the Supreme Administrative Court.
- Taipower's damage claim
 - The original administrative lawsuit has been transferred to the Taipei District Court for trial. , but Taiwan Power Company withdrew the lawsuits against Sun Ba Power, Star Power, Kuo Kuang Power and Star Buck Power in June 2020.
 - For civil lawsuits, the case for Sun Ba Power, Star Power, Kuo Kuang Power have been transferred to the Supreme Court for trial, and the case of Star Buck is on going.

Operating Situation

Corporate Governance and Corporate Social Responsibility

- TCC was ranked 5% in the 8th (2021) Corporate Governance Evaluation Results
- TCC was ranked 13th in 2021 Excellence in Corporate Social Responsibility Award.
- TCC received National Occupational Safety and Health Award.
- TCC received the 13th Taiwan Corporate Sustainability Awards :
 - TOP50 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.



Business Overview



Wind & Solar Power

Offshore Wind Power Engineering

- The Star Energy Corp. has undertaken the underground cable pipe project of the onshore transmission of Taipower offshore wind farm. The project is currently being implemented.
- The onshore substations EPC project of Ørsted offshore wind farm is currently being implemented.
- The renewable energy operation and maintenance center has obtained the usage license and will strive for opportunities of engineering and work of operation and maintenance in relevant offshore wind power.
- Continue to strive for offshore wind power onshore substation EPC projects.

Business Overview

Wind & Solar Power

Onshore Wind Power Investment

- The wind power plant project in Changhua Fangyuan is currently undergoing environmental impact assessment survey.
- Due to the age of wind turbines, it is planned to accelerate the repowering of Miaoli Wind Co., Ltd. The environmental impact assessment survey is undergoing.

Business Overview

Wind & Solar Power

Solar Power Engineering and Investment

- The floating PV project (about 13MW) of Wushantou Reservoir has connected in parallel on 5/23.
- Developing the investment of aquavoltaics in Changhua.

Business Overview



Investigation of common substation

- To cooperate with government renewable energy policy and solve the insufficiency of feeder lines in solar PV designated area, Star Energy Corp., the subsidiary company of TCC, is planning to build two common substations with hosting capacity of 250 MW and PV systems in both Qigu District, Tainan City and Yizhu Township, Chiayi County.

Business Overview



Retailer of Renewable Energy

- Develop new customers with renewable energy needs in the manufacturing, telecom, financial and 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 2 million kWh of renewable energy.
- Participate in the Energy Trading Platform and provide ancillary services.
- Guantian cogeneration plant is participating in the Energy Trading Platform via TCC Green Energy.

Please Advise



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