

Taiwan Cogeneration Corporation

INVESTOR CONFERENCE

2024.8.28



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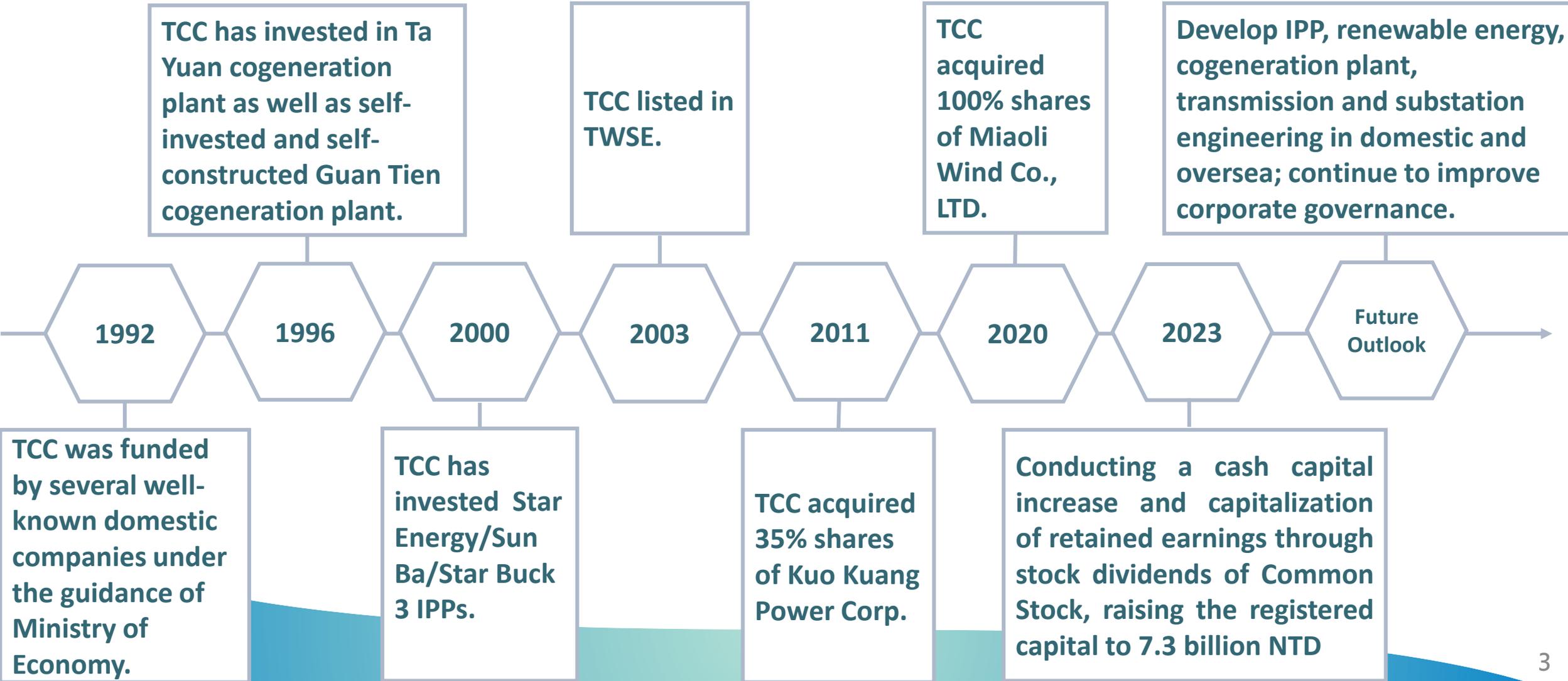
Company Profile

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

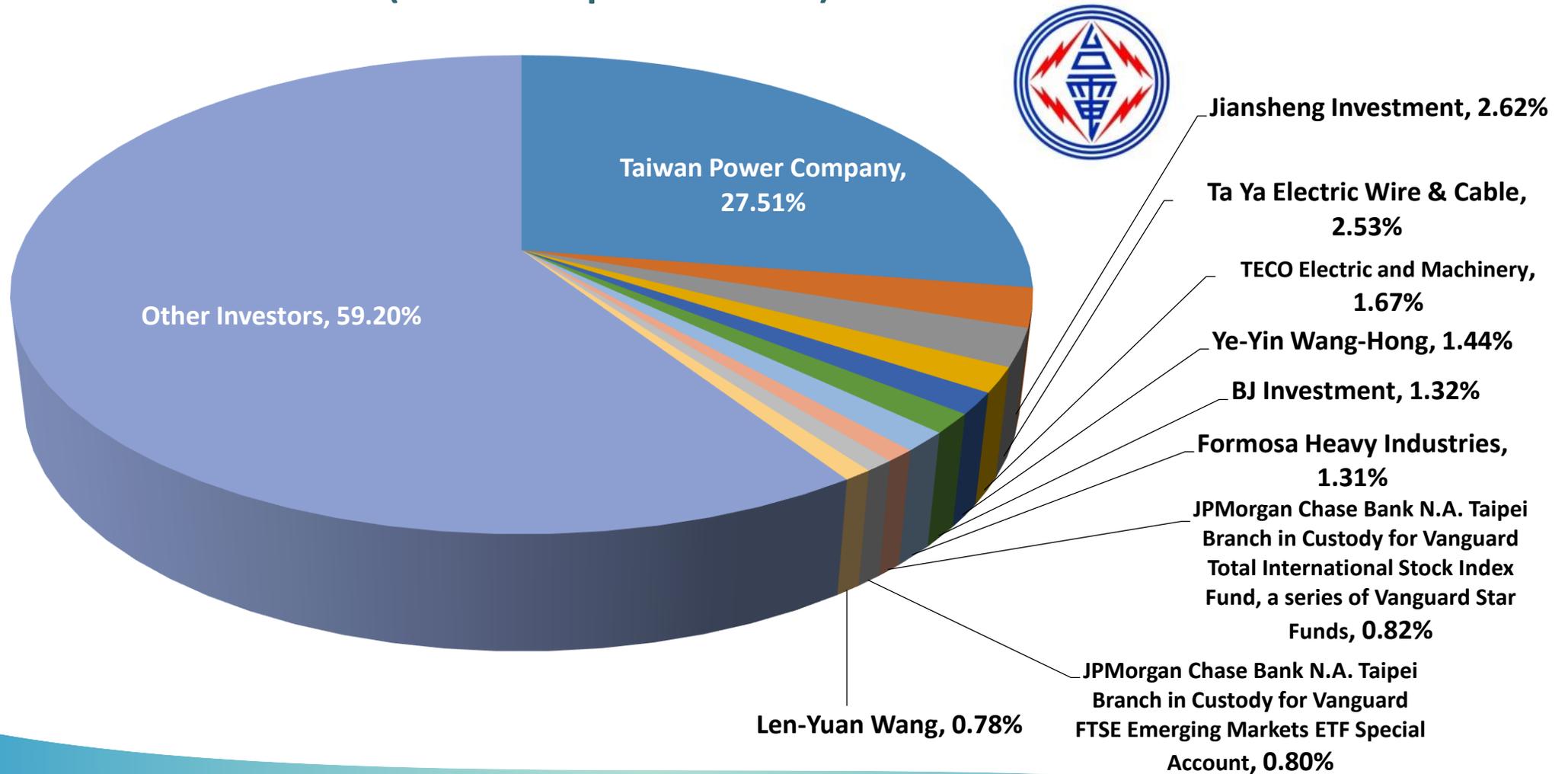
Company Profile

Development Track



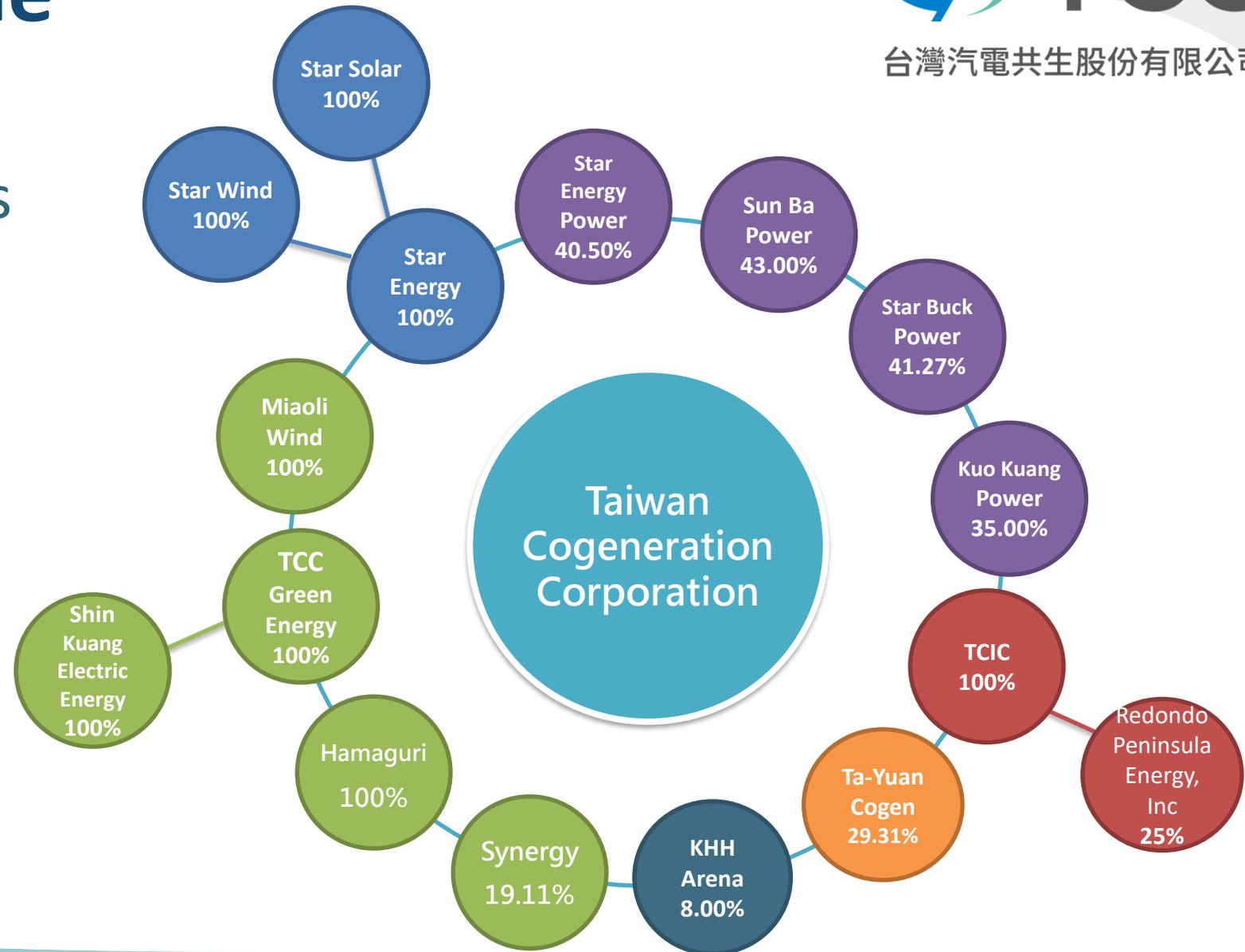
Company Profile

TCC's Shareholders (As of April 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	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
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 Q2	2023 Q2 (after restatement)		YOY
Operating Revenues	4,409,317	2,518,269	1,891,048	75%
Operating Costs	4,069,831	2,279,325	1,790,506	79%
Realized (Unrealized) Gain on Transactions with Associates	16,126	(4,285)	20,411	-476%
Realized Gross Profit	355,612	234,659	120,953	52%
Gross Margin	8%	9%		-1%
Operating Expenses	205,040	305,021	(99,981)	-33%
Profit (Loss) from Operations	150,572	(70,362)	220,934	-314%
Operating Net Profit Margin	3%	-3%		6%
Non-Operating Income and Expenses	602,163	1,061,673	(459,510)	-43%
Profit before Income Tax	752,735	991,311	(238,576)	-24%
Income Tax Expense	(33,495)	(33,713)	218	-1%
(Loss) Profit from Discontinued Operations	(7,200)	5,767	(12,967)	-225%
Net Profit	712,040	963,365	(251,325)	-26%
Net Profit_ Owners of the Corporation	714,902	961,134	(246,232)	-26%
EPS (NT\$)	0.98	1.49	(0.51)	-34%

Financial Statement

Consolidated Balance Sheet



台灣汽電共生股份有限公司

Unit: Thousand NTD	2024.6.30		2023.6.30	
Current Assets	8,622,042	30.9%	7,088,793	26.7%
Non-Current Assets	19,236,662	69.1%	19,508,325	73.3%
Financial Assets at Fair Value through Other Comprehensive Income	266,654	1.0%	264,920	1.0%
Investments Accounted for Using Equity Method	13,664,975	49.1%	13,779,389	51.8%
Property, Plant and Equipment	4,137,193	14.9%	3,691,256	13.9%
Other Assets	1,167,840	4.1%	1,772,760	6.6%
Total Assets	27,858,704	100.0%	26,597,118	100.0%
Current Liabilities	7,930,034	28.5%	6,208,002	23.3%
Non-Current Liabilities	5,160,327	18.5%	5,050,240	19.0%
Total Liabilities	13,090,361	47.0%	11,258,242	42.3%
Equity Attributable to Owners of the Corporation	14,768,343	53.0%	15,179,814	57.1%
Non-Controlling Interests	-	-	159,062	0.6%
ROA		5%		8%
ROE		9%		14%
Current Ratio		109%		114%
Quick Ratio		65%		77%

Financial Statement

Consolidated Cash Flow

Unit: Thousand NTD	2024 Q2	2023 Q2 (after restatement)	YOY
From Operating Activities	51,865	(211,481)	263,346
From Investing Activities	467,062	(607,949)	1,075,011
From Financing Activities	491,345	808,542	(317,197)
Effects of Exchange Rate	(202)	12,507	(12,709)
Net Increase in Cash	1,010,070	1,619	1,008,451
Beginning Balance	<u>1,922,822</u>	<u>3,734,653</u>	(1,811,831)
Ending Balance	<u>2,932,892</u>	<u>3,736,272</u>	(803,380)

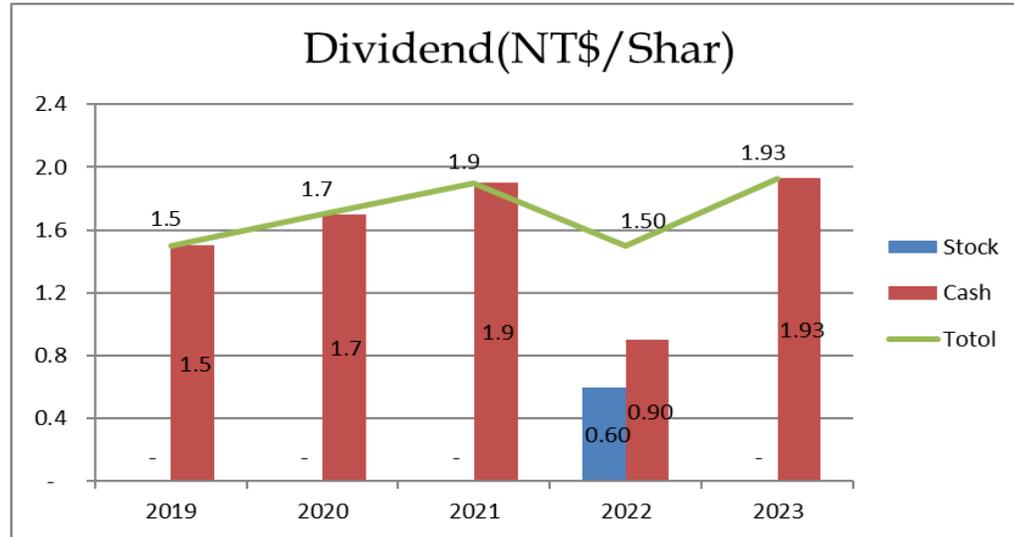
Financial Statement

Consolidated Revenue

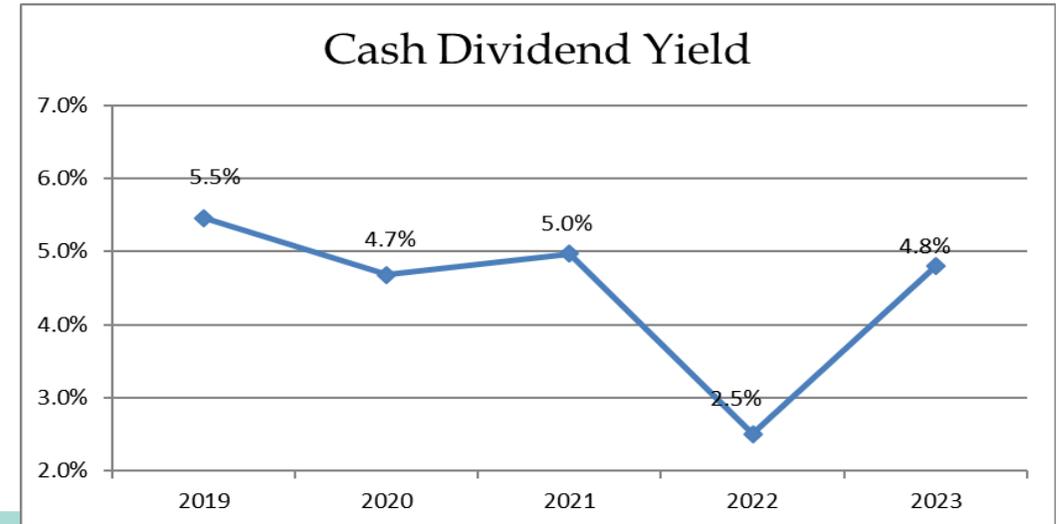
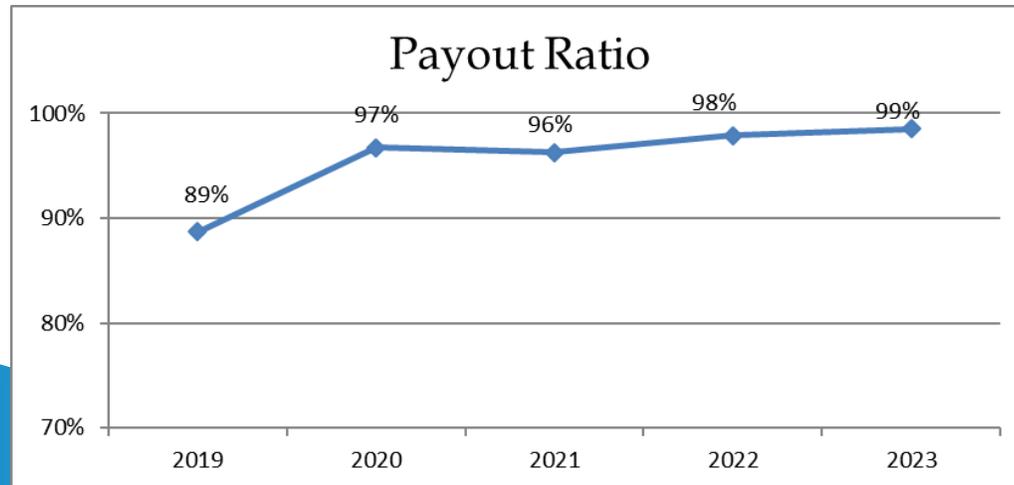
Unit: Thousand NTD	2024/1-7	2023/1-7 (after restatement)	YOY	
Sales	833,826	889,040	(55,214)	-6%
Research, Consulting and Construction Services	4,278,080	2,013,511	2,264,569	112%
Total	5,111,906	2,902,551	2,209,355	76%

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

- Develop strategies in response to the carbon tax issue.
- Increase the usage of alternative fuels such as scrap tires and SRF.

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

- 2023 Sustainability Report was issued and verified by the third party, and it was uploaded on the ESG Digital Platform in June.
- GHG inventories: TCC has started collecting 2024 GHG inventory data (parent company).
- Corporate Social Engagement: participate in CommonWealth Magazine Education Foundation “Hope Reading Program”

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
 - Power plant commissioning is in progress. The first full-load operation was achieved on 12 July, and a 96-hour continuous operation test has been completed on 2 August.
- 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.
 - KKPC is currently conducting an environmental impact assessment review.

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.

Wind & Solar Power

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.

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 use permit.
- Star Solar's Wushantou floating photovoltaic project is applying the consent letter from local competent authority.

Business Overview

Retailer of Renewable Energy

- TCC Green Energy is the only company of renewable energy retailing enterprise to supply wind power, solar power and hydroelectric power, and has sold 550 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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