



Taiwan Cogeneration Corporation

INVESTOR CONFERENCE

2024.5.23



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



台灣汽電共生股份有限公司

Development Track

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

TCC listed in TWSE.

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

Develop IPP, renewable energy, cogeneration plant, transmission and substation engineering in domestic and overseas; continue to improve corporate governance.

1992

1996

2000

2003

2011

2020

2023

Future Outlook

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

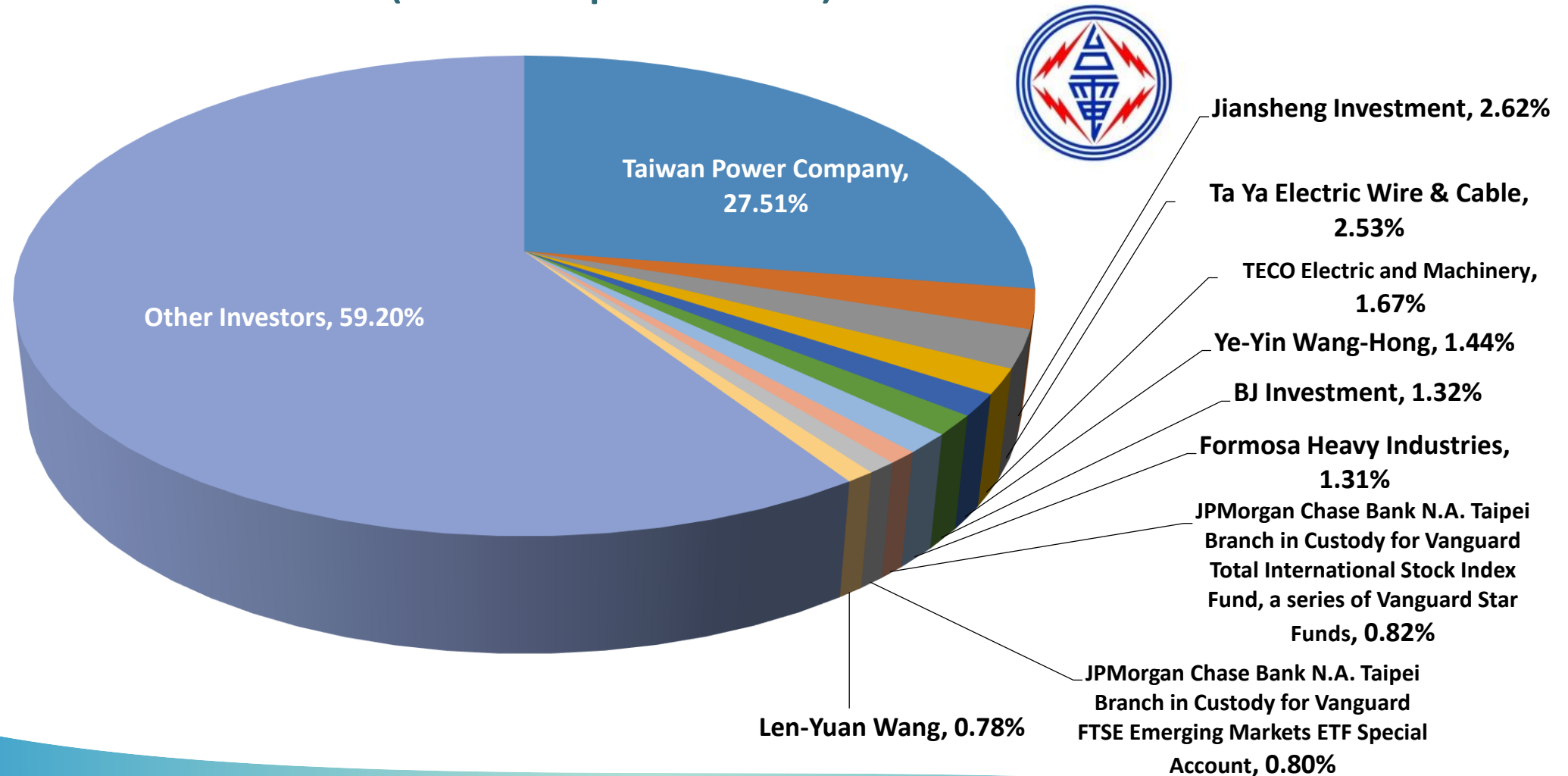
TCC has invested Star energy/Sun Ba/Star Buck 3 IPPs.

TCC acquired 35% shares of Kuo Kuang Power Corp.

Conducting a cash capital increase and capitalization of retained earnings through stock dividends of Common Stock, raising the registered capital to 7.3 billion NTD

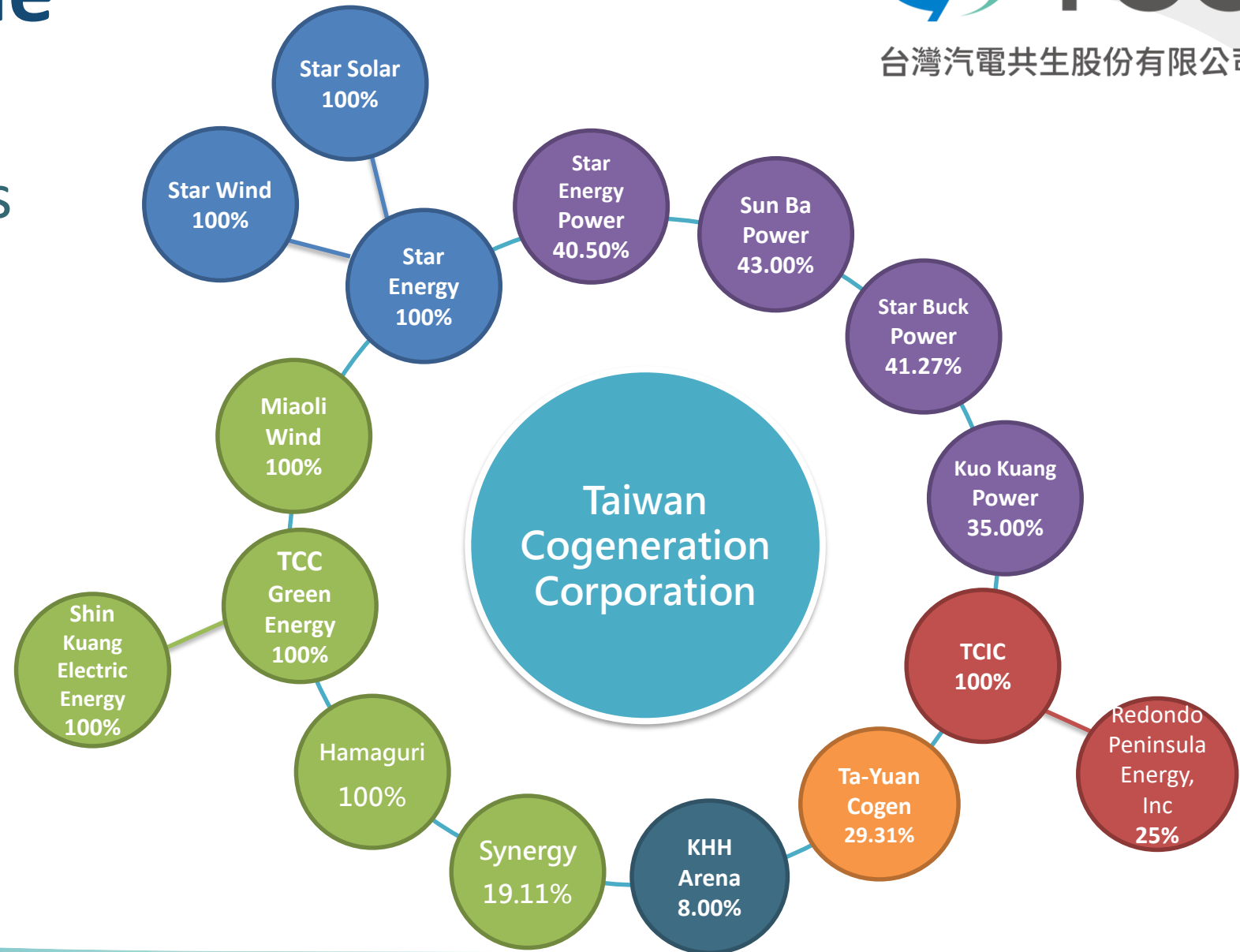
Company Profile

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	Shareholding	Main Business
	(NT\$ Millions)	by TCC (%)	
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

Unit: Thousand NTD	2024 Q1	2023 Q1		YOY
Revenues	2,026,521	1,084,212	942,309	87%
Costs	1,854,280	916,963	937,317	102%
Realized Gain on Transactions with Associates	8,064	4,858	3,206	66%
Realized Gross Profit	180,305	172,107	8,198	5%
Gross Margin	9%	16%		-7%
Operating Expense	98,659	107,473	(8,814)	-8%
Operating Net Profit	81,646	64,634	17,012	26%
Operating Net Profit Margin	4%	6%		-2%
Non-Operating Items	244,611	637,319	(392,708)	-62%
Pre-Tax Net Profit	326,257	701,953	(375,696)	-54%
Income Tax Expense	(20,937)	(21,882)	945	-4%
Net Profit	305,320	680,071	(374,751)	-55%
Net Profit_ Owners of the Corporation	306,714	677,679	(370,965)	-55%
EPS (NT\$)	0.42	1.08	(0.66)	-61%

Financial Statement

Consolidated Balance Sheet

Unit: Thousand NTD	2024.3.31		2023.3.31	
Current Assets	6,032,458	22.8%	6,041,200	24.0%
Non Current Assets	20,479,508	77.2%	19,134,068	76.0%
Available-for-sale Financial Assets	268,854	1.0%	264,120	1.0%
Investments Accounted for Using Equity Method	14,278,649	53.9%	13,672,877	54.3%
Property, Plant and Equipment	4,204,125	15.9%	3,403,923	13.5%
Other Assets	1,727,880	6.4%	1,793,148	7.2%
Total Assets	26,511,966	100.0%	25,175,268	100.0%
Current Liabilities	5,972,167	22.5%	6,422,964	25.6%
Non Current Liabilities	4,631,500	17.6%	6,226,108	24.8%
Total Liabilities	10,603,667	40.1%	12,649,072	50.4%
Shareholders Equity	15,771,599	59.4%	12,366,973	49.1%
Non-Controlling Interests	136,700	0.5%	159,223	0.5%
ROA	5%		11%	
ROE	8%		22%	
Current Ratio	101%		94%	
Quick Ratio	53%		59%	

Financial Statement

Consolidated Cash Flow

Unit: Thousand NTD	2024 Q1	2023 Q1	YOY
From Operating Activities	99,757	(10,998)	110,755
From Investing Activities	552,756	(238,110)	790,866
From Financing Activities	(88,477)	(67,621)	(20,856)
Effect of Exchange Rate	1,937	11,521	(9,584)
Net Change in Cash	565,973	(305,208)	871,181
Beginning Balance	<u>1,922,822</u>	<u>3,734,653</u>	(1,811,831)
Ending Balance	<u>2,488,795</u>	<u>3,429,445</u>	(940,650)

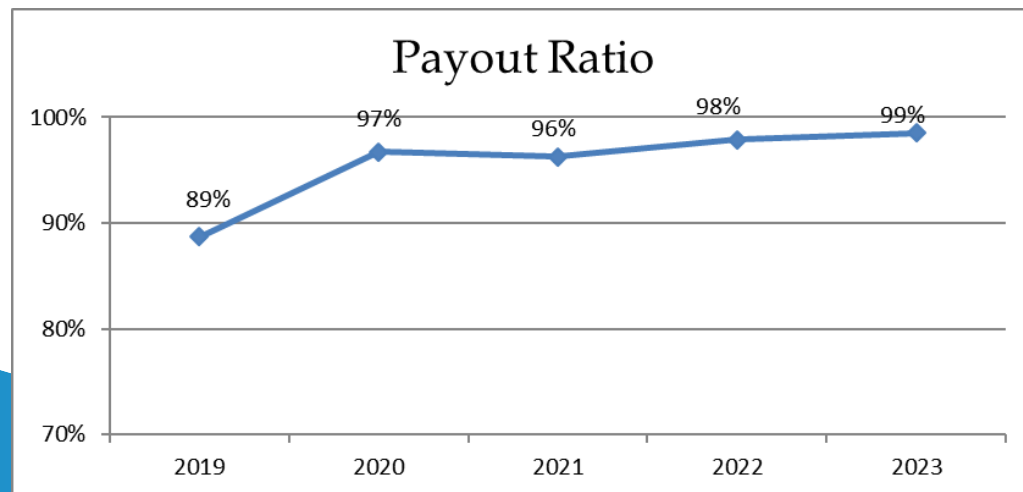
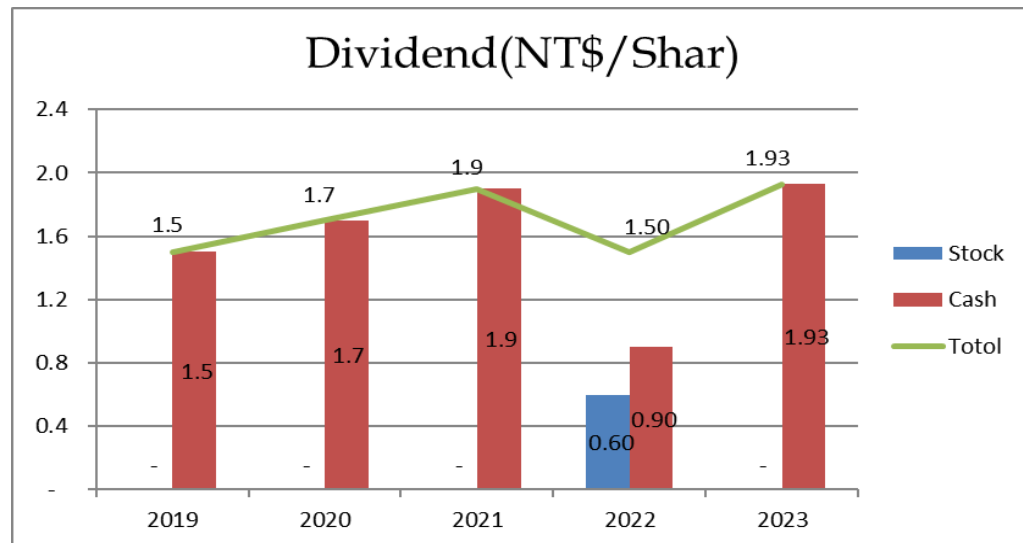
Financial Statement

Consolidated Revenue

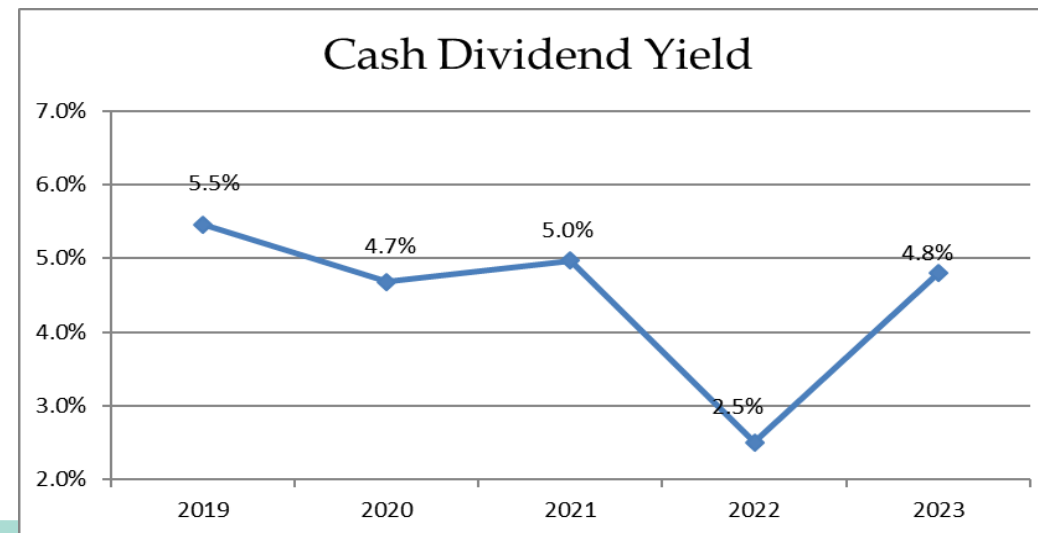
Unit: Thousand NTD	2024/1-4	2023/1-4	YOY	
Sales	501,828	568,653	(66,825)	-12%
Research, Consulting and Construction Services	2,645,360	905,294	1,740,066	192%
Total	3,147,188	1,473,947	1,673,241	114%

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

- 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



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 High Court for trial.

Operating Situation

Corporate Governance and Corporate Social Responsibility

- TCC was ranked top 6~20% in the 10th (2023) Corporate Governance Evaluation Results.
- 2023 Sustainability Report has been verified by the third party in May and will be released in June.
- 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
 - 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.
 - 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 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-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 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.
- Star Solar's Wushantou floating photovoltaic project is applying the consent letter from local competent authority.

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 over 500 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



台灣汽電共生股份有限公司

Address : 6F, 392, Rui Guang Road, Neihu , Taipei

TEL : 886-2-8798-2000

FAX : 886-2-8798-2066

Website : www.cogen.com.tw