

POCS

Prime Oil Chemical Service Corporation Press Conference

September 3, 2018



About POCS

Prime Oil Chemical Service Corporation (POCS) was founded in 1978. We are a listed company on the Taiwan Stock Exchange (Stock Symbol 2904.tw). We have two main business divisions now.

Tank Storage Service Division contributes the majority of the revenues. With nearly 30-year experience, POCS owns 51 shore tanks with various capacities of approximately 300,000 kiloliters at Port of Taichung. We are the largest-scale and the most well-managed petrochemical shore tank storage service provider in Taiwan.

POCS is dedicated to providing our customers with high-quality storage services. We have obtained ISO 9001, ISO 14001, OHSAS 18001, and CNS 15506 certifications and is participating in CDI-T. Our service quality earns the trust of our customers.

The other is Energy Division. From 2016, we strive to provide the excellent planning and engineering services of PV system to customers with our subsidiary, POCS Power Co., Ltd. The main business model of this Division is earning long-term income from electricity generation and PV system rental.

Financial Statements(1)

	2018H1	2017	2016
Gross profit%	42%	40%	38%
Operating Income%	28%	25%	25%
Net Income%	24%	23%	21%
Earnings Per Share	0.77	1.39	1.52

The profitability increases gradually.

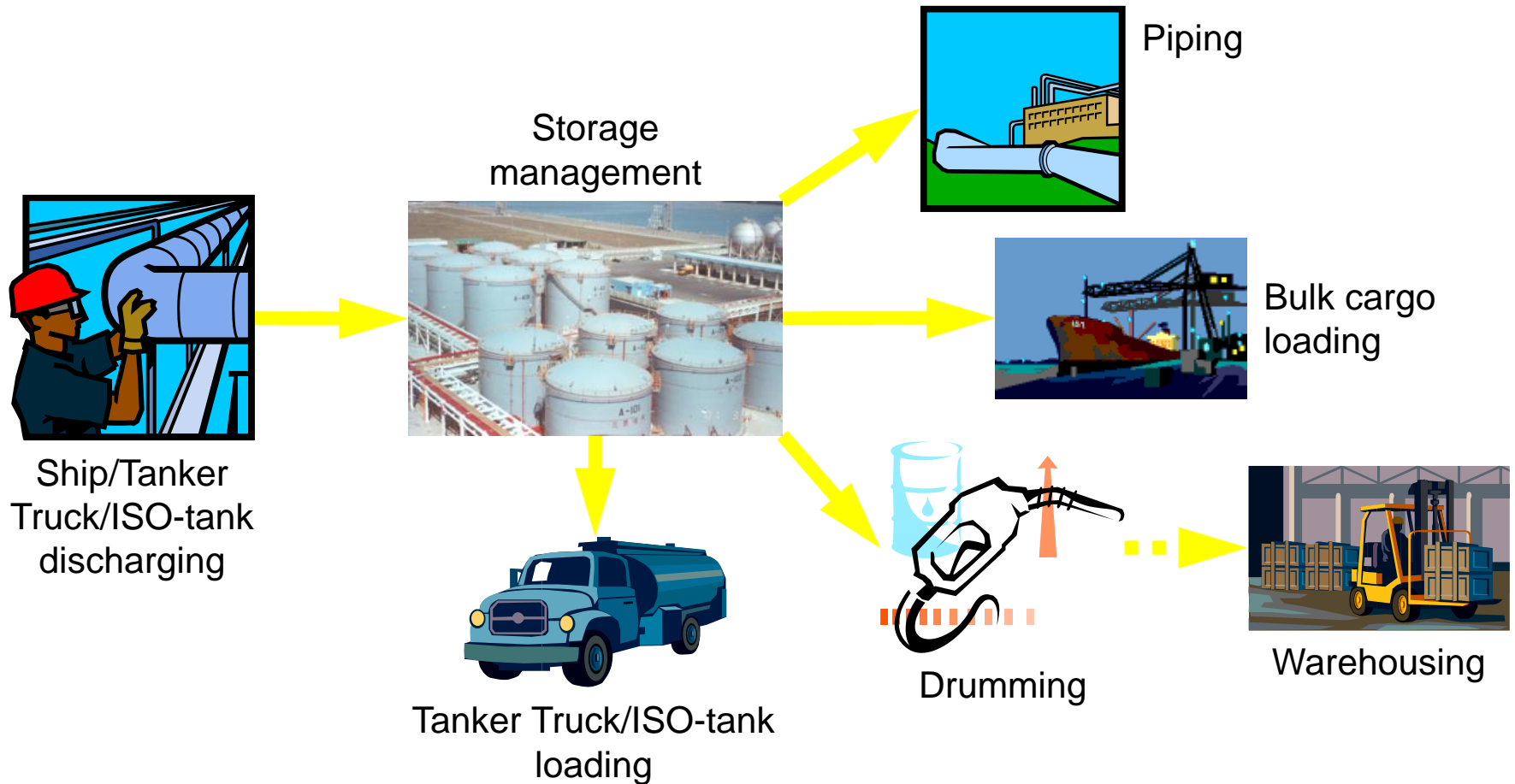
Financial Statements(2)

	2018H1	2017	2016
Current assets	287,120	262,937	541,104
Non-current assets	1,013,498	866,665	551,147
Total assets	1,300,618	1,129,602	1,092,251
Current liabilities	270,636	94,427	135,720
Non-current liabilities	118,734	101,559	26,700
Total liabilities	389,370	195,986	162,420
Shareholders' equity	911,248	933,616	929,831
Liabilities + Shareholders' equity	1,300,618	1,129,602	1,092,251

The liabilities increase as a result of the increase in fixed assets.

Tank Storage Service Division

Services Offered by POCS

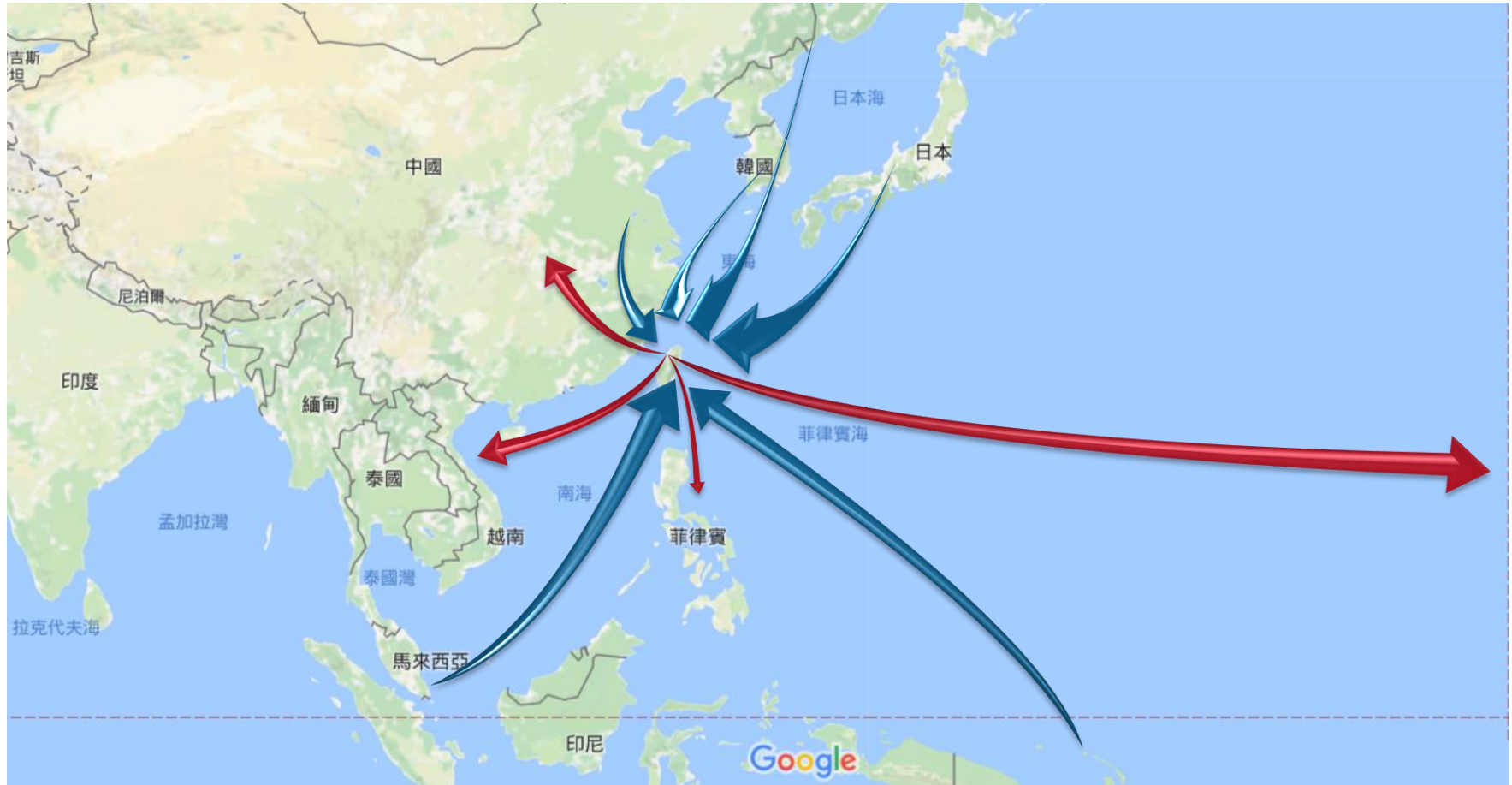


Terminal Profile

	West #5	West #2
Area (M ²)	81,054	29,223
Number of Tanks	20	31
Capacity (KL)	242,200	63,450
Loading bays	12	18
Employees	33	17
Handling Quantity (MT/2017)	2,810,494	401,090
Cargos	Oils & chemicals	Chemicals
Key customers	Global oil traders, chemical manufacturers & traders	



Coverage of Cargo Transportation

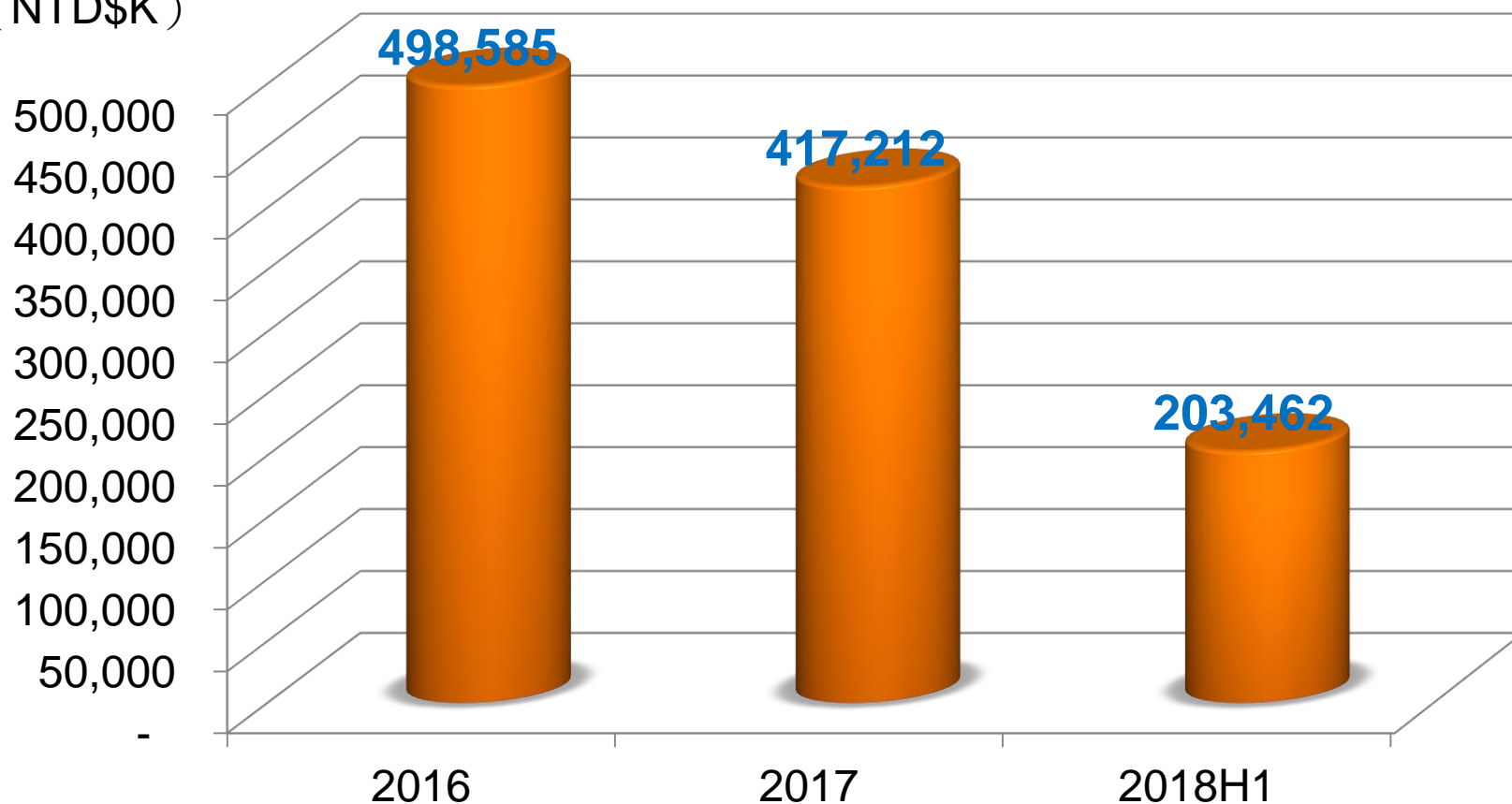


Our Advantages

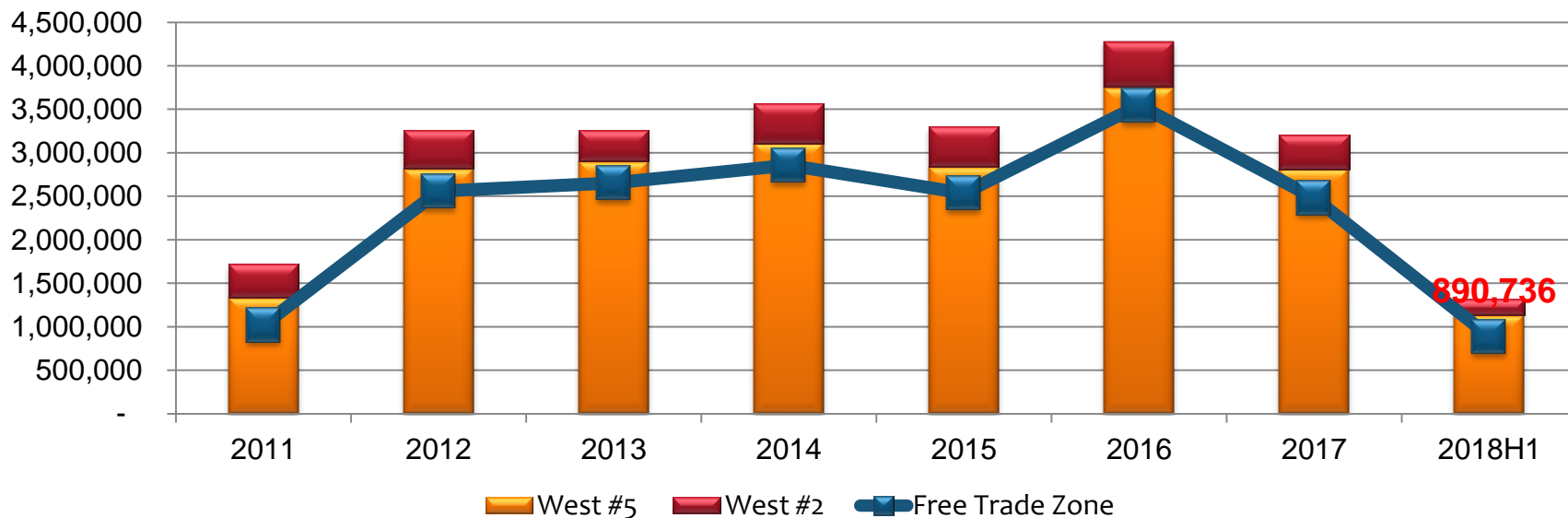
- Own a various range of capacity and types of shore tanks to meet different needs
- Can provide customized services
- Have had nearly 30 year experiences in handling all kinds of petrochemical cargos
- Offer comprehensive services by company-owned staff
- Focus on our core business to provide the most professional services to customers

Revenues of Tank Storage Service Division

(NTD\$K)



Cargo Handling Quantity



POCS has started the business of Free Trade Zone in Port of Taichung from 2007. We have offered our services to the global leading oil traders for several years. Our cargo handling quantity are increasing gradually. The annual cargo handling quantities in 2017 are more than 3 million MT. The quantities in 2018H1 decreases because of oil customers' shuffling.

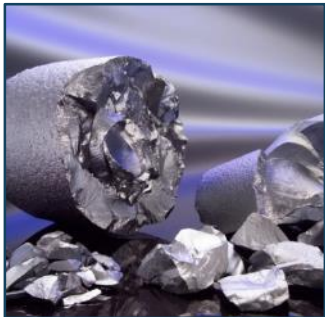
Outlook

- The economic situation in the region will be the key factor of oil demand.
- The strategy of oil traders may be influenced by global oil price and market demand-supply.
- Operating costs are going up due to stricter HSE(Health, Safety and Environment) regulations.
- The demand of chemical tank storage service and the quantities of chemical cargo handling will be impacted by the domestic economy.

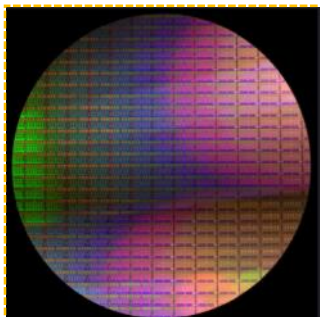
Energy Division

Strategy & Positioning

- Focus on developing renewable energy, leaving a cleaner globe for generation to come
- Raise environmental awareness and support government's green policy
- 20-year FIT(Feed-in Tariff) mechanism
- Focus on PV System business model



結晶矽
Polysilicon



晶片
Wafer



太陽能電池
Solar Cell



模組
PV Module



系統
System

PV Systems Status

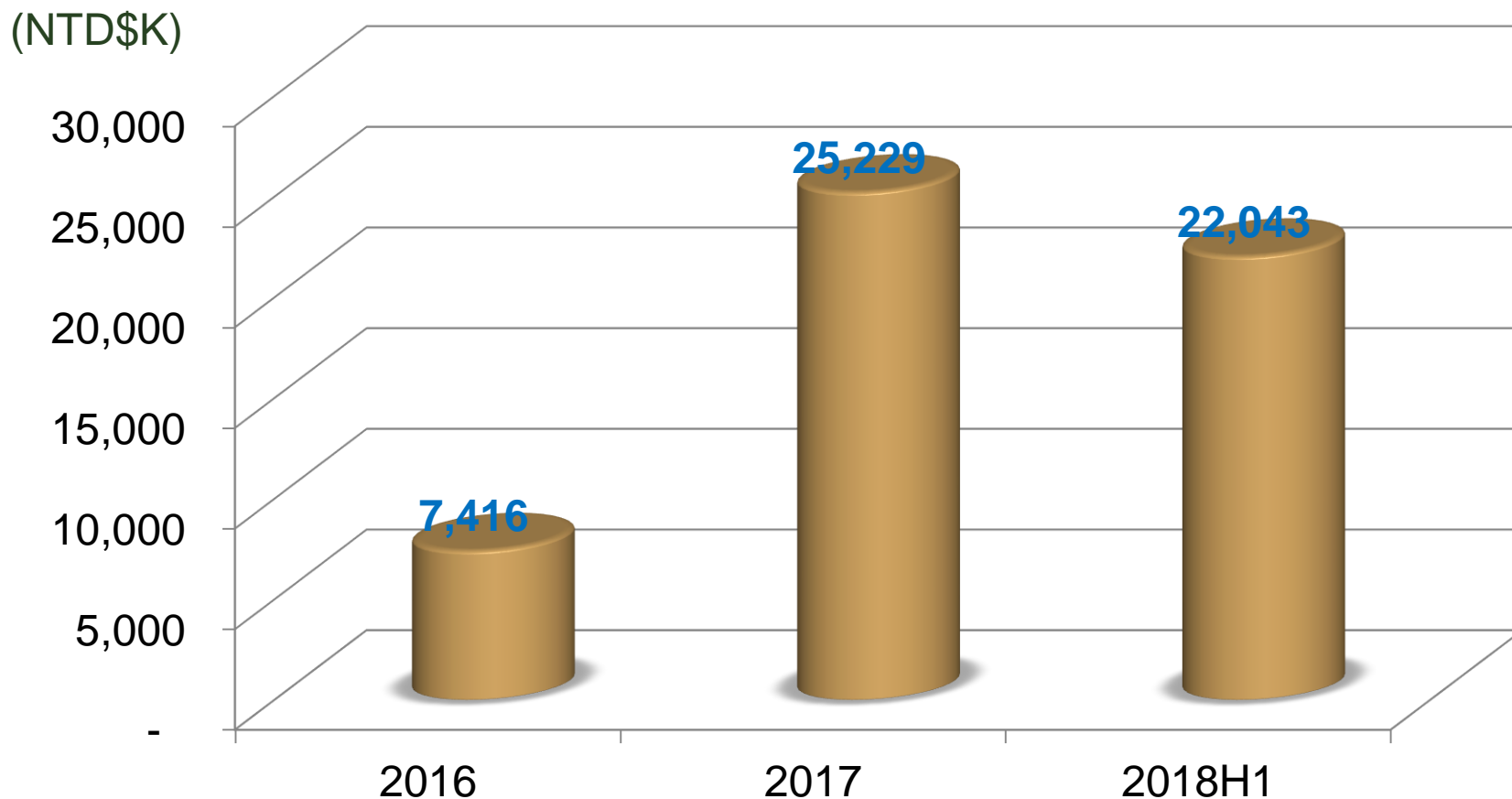
- Completed
 - Domestic: 7.412MWp
 - Overseas: 5.2MWp (Cambodia)
 - Total: 12.612MWp
- Under Construction
 - Domestic: 0.342MWp (will be completed in Oct. 2018)

Domestic PV Systems



Location	No. of PV	MW
Taichung	3	0.927
Nantou	1	0.397
Tainan	1	0.156
Kaohsiung	14	3.646
Pingtung	6	1.555
Hualien	2	0.731
Total	27	7.412

Revenues of Energy Division



Future Plans

- Expand to large-scale solar power plants, such as agriculture-PV co-existence, aquaculture-PV co-existence, ground-mounted and floating solar.
- Evaluate the feasibility of acquiring existing solar power plants to scale up.
- Evaluate overseas solar power business opportunities.

PV Projects Developed (1)

Cian-Jhen Elementary School,
Kaohsiung



Da-Dun Junior High School,
Taichung



PV Project Developed (2)

Wun-Shan Elementary School,
Kaohsiung



Sing-Ren Junior High School,
Kaohsiung



PV Project Developed (3)

Zong-Lien Industry Co., Ltd.
Kaohsiung



Super-Cheng Industrial Co., Ltd.
Kaohsiung



PV Project Developed (4)

Dahan Institute of Technology
Hualien



Ta-Ming High School
Taichung



Q & A