

POCS

Prime Oil Chemical Service Corporation Press Conference

November 22, 2022



Outline

- Company Profile and Financial Snapshots
- Tank Storage Service Division update
- Energy Division update
- Q&A

Company Profile and Financial Snapshots

About POCS

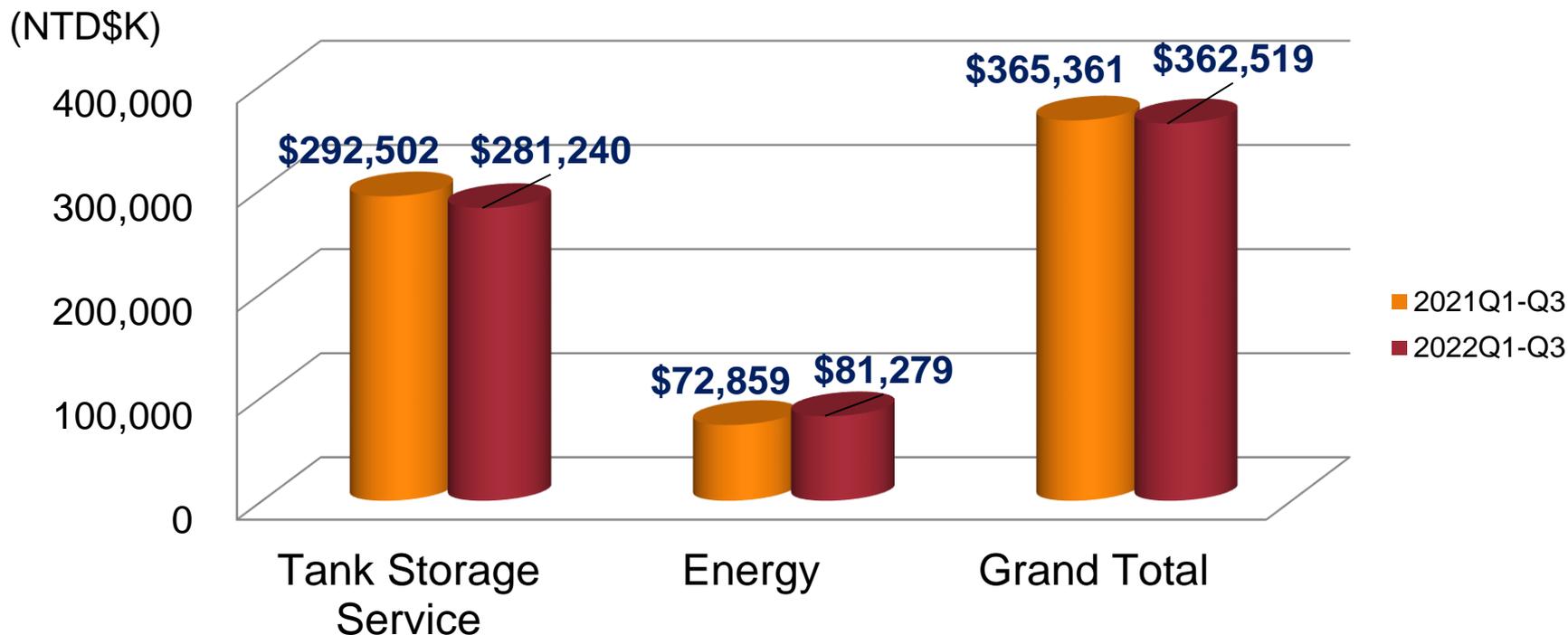
Prime Oil Chemical Service Corporation (POCS) was founded in 1978. We are a listed company on the Taiwan Stock Exchange (Stock Symbol 2904.tw). We have two main business divisions now.

Tank Storage Service Division contributes the majority of the revenues. With over 30-year experience, we are the largest-scale and the most well-managed petrochemical shore tank storage service provider in Taiwan.

Tank Storage Service Division primary clients are well-known petrochemical manufacturers and traders. Our service quality has earned the trust of our clients by obtaining ISO 9001, ISO 14001, ISO 18001, ISO45001 certifications and participating in CDI-T.

POCS started its **Energy Division** in 2016. Together with our subsidiary POCS Power Co., Ltd, we look for suitable locations to build photovoltaic power generation systems as a way to collect long-term electricity sales or receive rental revenues, as our main business model.

Sales Revenue by Division



Tank Storage Service Division accounts for 80% and 78% of consolidated sales revenue in 2021Q1~Q3 and 2022Q1~Q3, respectively.

Financial Snapshots (1)

Unit: NTD\$K (EPS=NTD\$)

Consolidated F/S	2022Q1~Q3	2021Q1~Q3	2021	2020
Sales Revenue	362,519	365,361	466,109	540,837
Gross profit%	35%	37%	33%	47%
Operating Income%	20%	23%	19%	33%
Net Income%	24%	17%	15%	29%
Earnings Per Share	1.24	0.93	1.03	2.31

- The higher net income percentage compared to operating income percentage in 2022 Q1~Q3 was mainly due to higher unrealized exchange gains on assets, which benefited from the increase in the USD/NTD exchange rate during the period.
- Energy Division: Stable profitability and scaling up.
- Tank Storage Service Division: Cautiously facing the tough challenges and to increase storage tanks turnover rate.

Financial Snapshots (2)

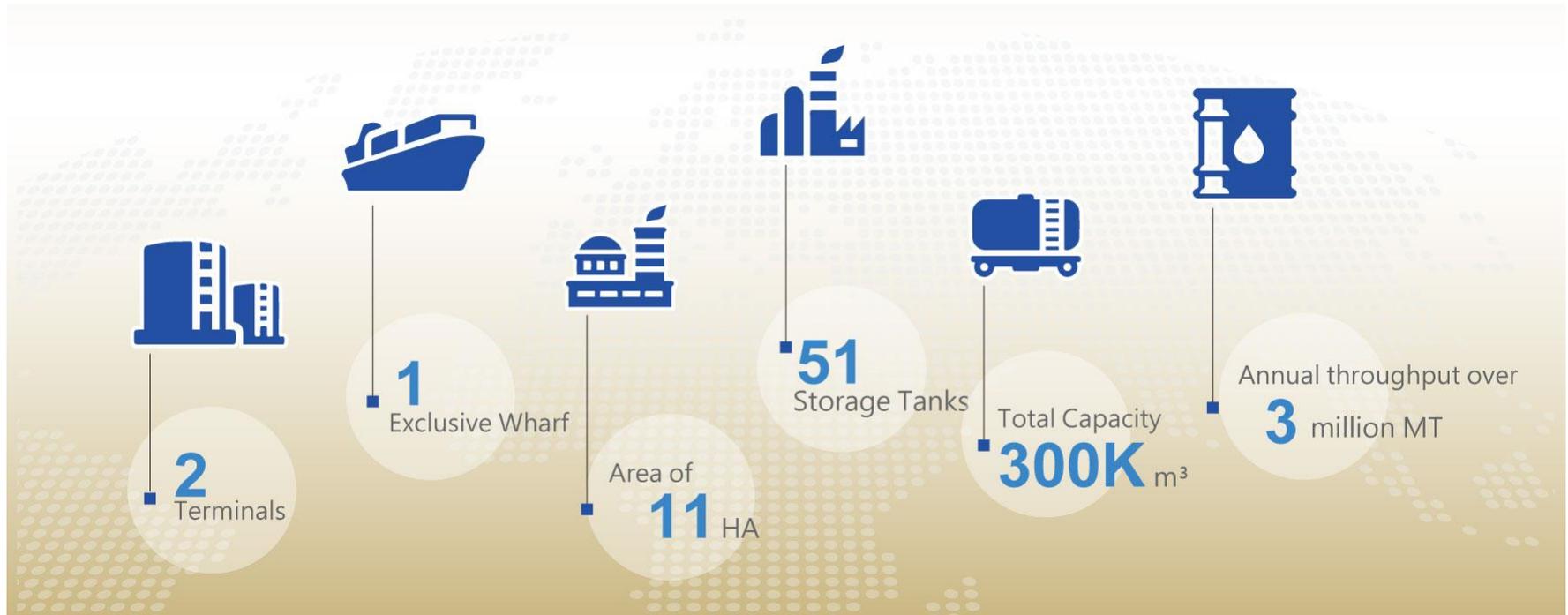
Unit: NTD\$K

Consolidated F/S	2022/09/30	2021/09/30	2021/12/31	2020/12/31
Current assets	263,455	219,300	212,698	222,362
Non-current assets	2,009,142	1,399,147	1,422,782	1,415,666
Total assets	2,272,597	1,618,447	1,635,480	1,638,028
Current liabilities	506,636	374,654	318,434	364,186
Non-current liabilities	661,295	287,807	354,566	235,404
Total liabilities	1,167,931	662,461	673,000	599,590
Shareholders' equity	1,104,666	955,986	962,480	1,038,438
Liabilities+ Shareholders' equity	2,272,597	1,618,447	1,635,480	1,638,028

- Non-Current assets increase were mainly due to the increase in Investment accounted under equity method, Property, plant and equipment, right-of-use assets and refundable deposits.
- Liabilities increase were mainly due to the increase in long-term and short-term borrowings required for operations and lease liabilities.
- Shareholders' equity increase was mainly due to the increase in cash capital through a new share issued during the period.

Tank Storage Service Division

About Tank Storage Service Division

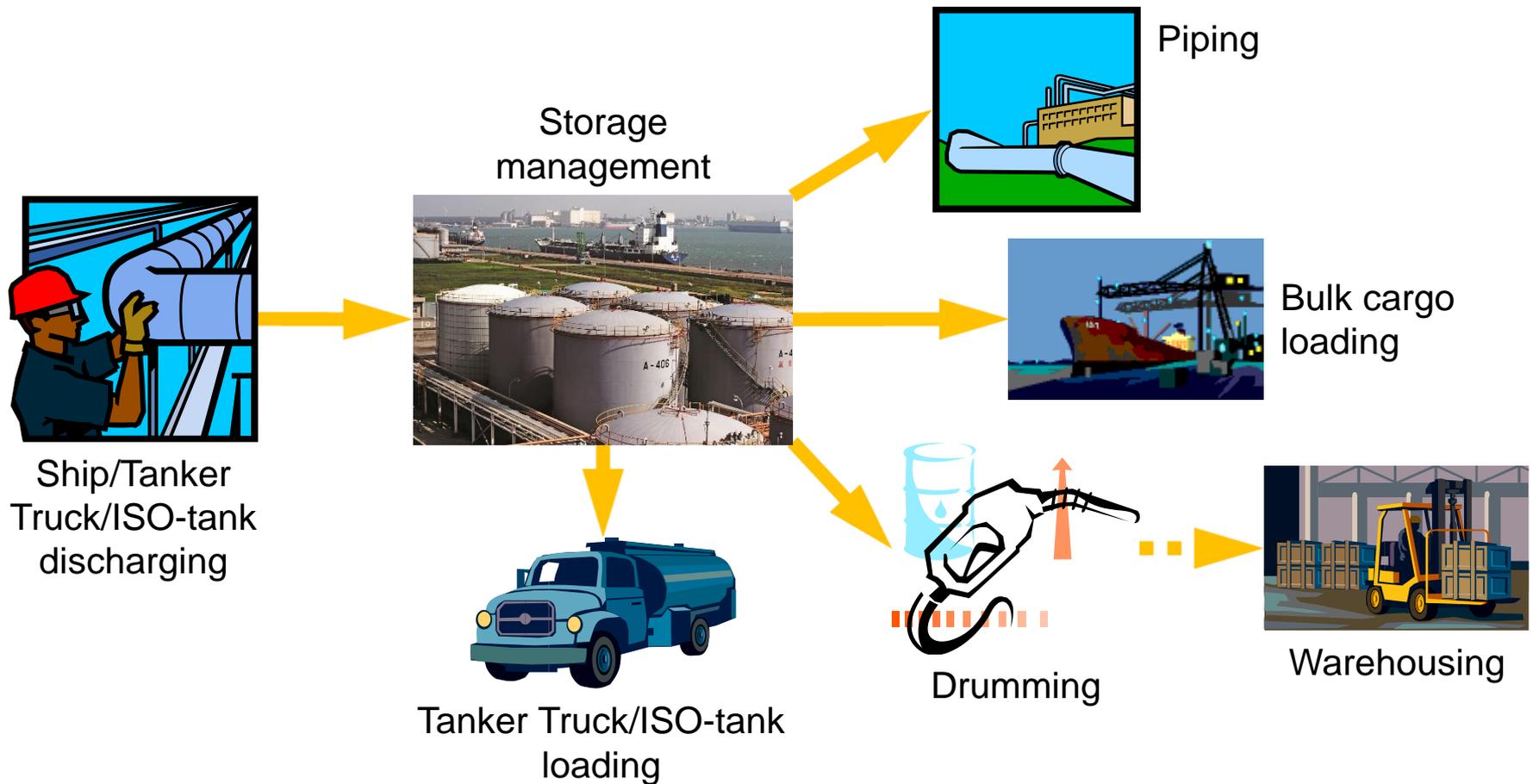


Terminal Profile

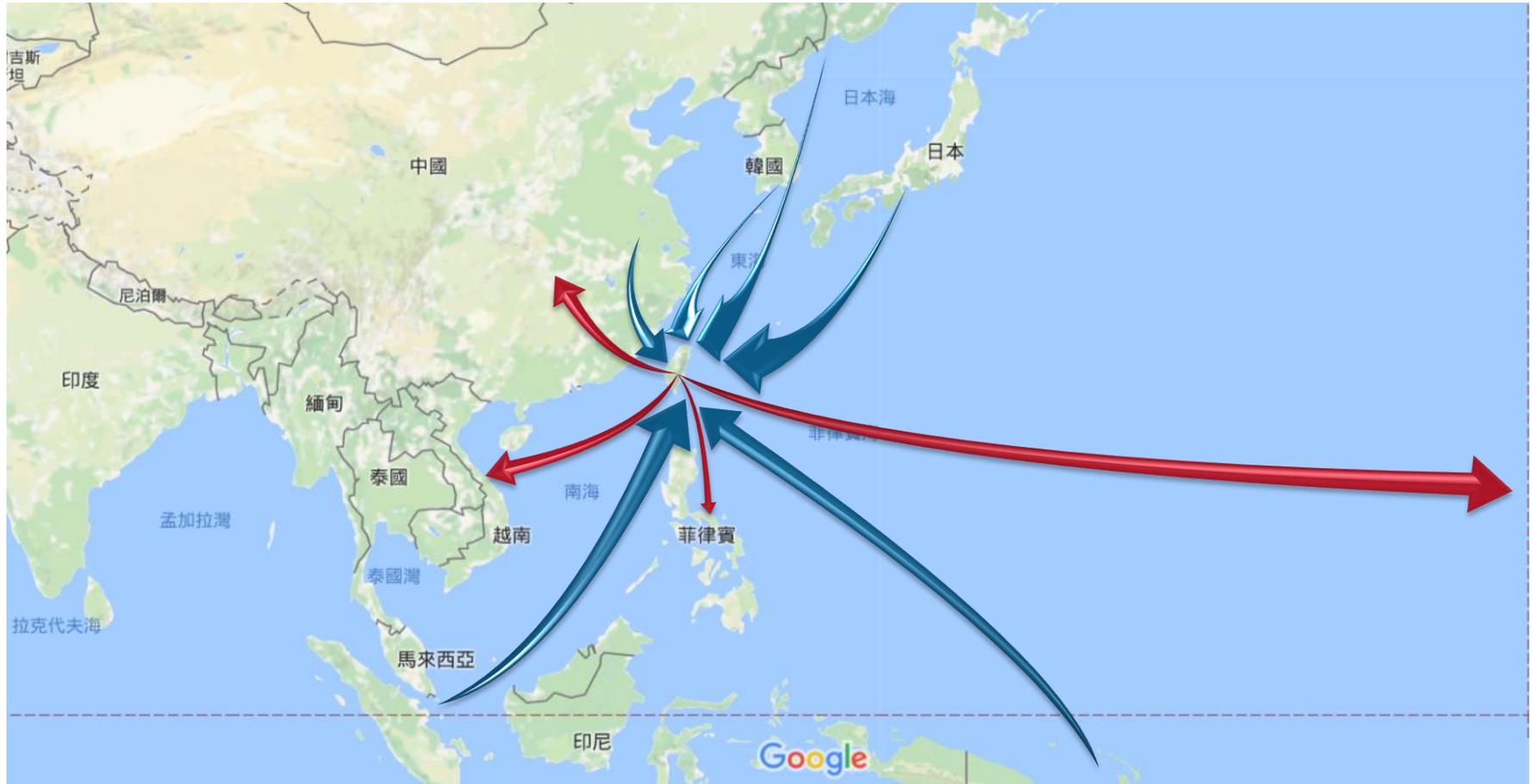
	West #5	West #2
Area (M ²)	81,054	29,223
Number of Tanks	20	31
Capacity (KL)	242,200	63,450
Loading bays	12	18
Employees	31	17
Throughput (MT/2021)	2,940,856	428,579
Cargos	Oils & chemicals	Chemicals
Key clients	Global oil traders, chemical manufacturers & traders	



Services Offered by POCS



Coverage of Cargo Transportation

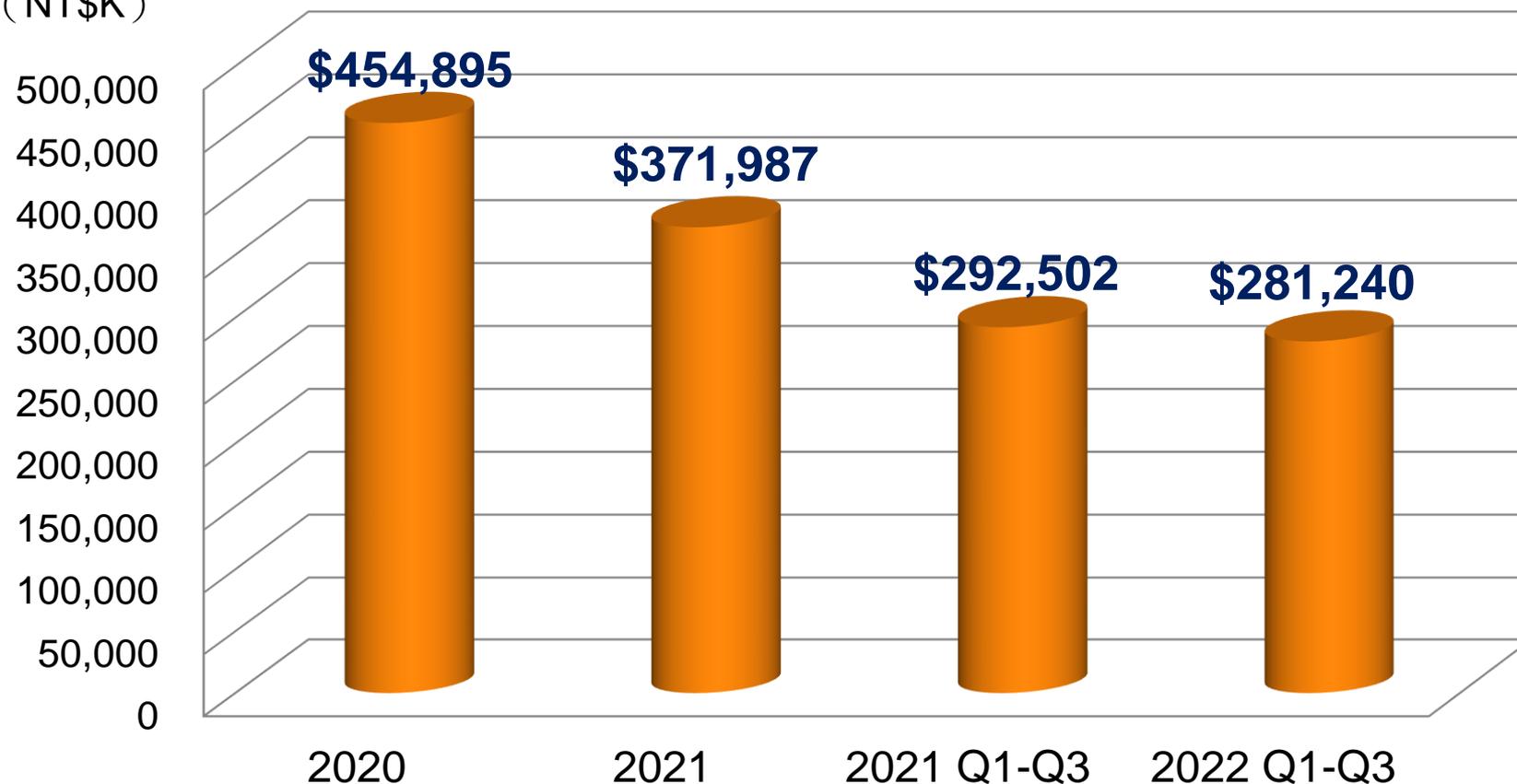


Our Advantages

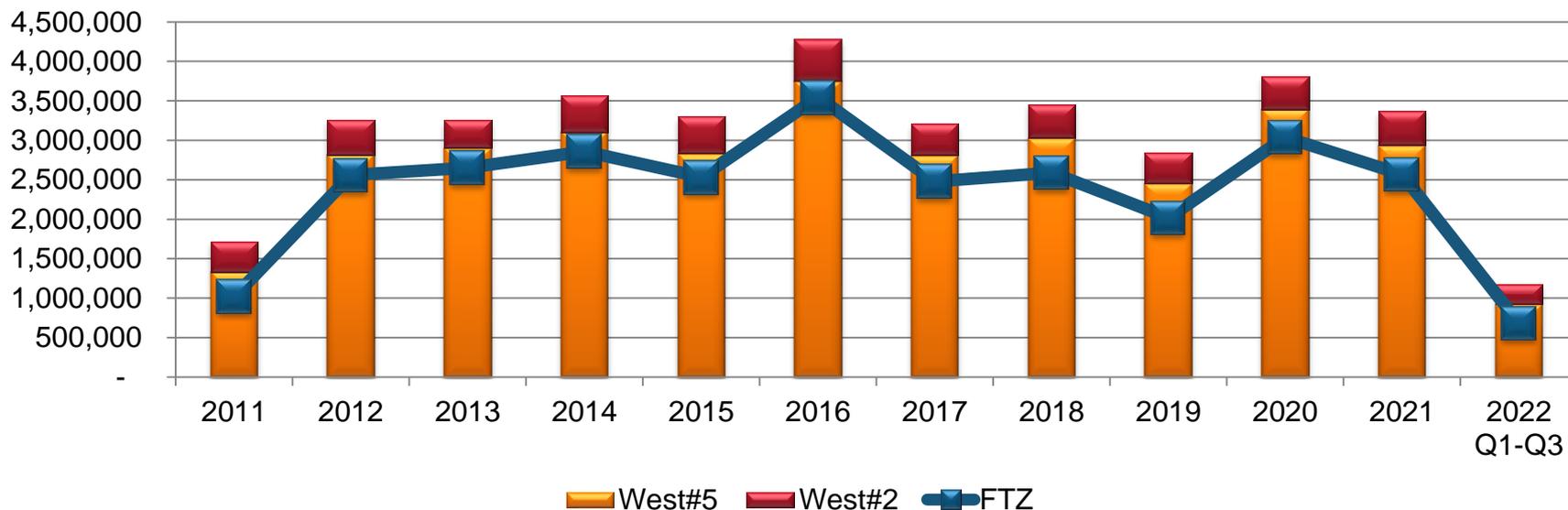
- Own a various range of capacity and types of shore tanks to meet different needs
- Can provide customized services
- Have had 30-year experiences in handling all kinds of petrochemical cargos
- Offer comprehensive services by in-house staff
- Focus on our core business to provide the most professional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

Revenues of Tank Storage Service Division

(NT\$K)



Cargo Throughput



POCS has started the business of Free Trade Zone in Port of Taichung since 2007. We have offered our services to many global leading oil traders for several years. The annual cargo throughput averaged around 3 million metric tons in the past. However, due to the severe impacts on the global oil market, the throughput declined significantly in the first three quarters of 2022.

Outlook

- Several big incidents have changed the global oil market drastically. We still need to keep an eye on the development in the future.
- The tension between Taiwan and China will be a key factor for potential global clients to consider the tank storage service in Taiwan.
- The slowdown of the global economy has reduced the demand for petrochemical-related products. The import volume of chemical cargo dropped significantly.
- The operating costs of our terminals are on the rise due to stricter relevant regulations.

Energy Division

About Energy Division



57

PV projects have been installed in Taiwan
with a capacity of **19.1MW**



1

One PV project has been installed in overseas market.
with a capacity of **5.2MW**



Total installed capacity

24.3 MW

The first three quarters of 2022, the Energy Division created an aggregate of solar power of 17.2 million kWh domestically

Carbon fixation of 22.5 Da'an Forest Parks

Carbon dioxide emissions reduction of approximately 8,745 metric tons

Coal consumption reduction of 6,357 metric tons

Market & Sales Overview

- Sales by Location:

Year	2021		2020	
Area	Sales Revenue (NT\$K)	%	Sales Revenue (NT\$K)	%
Taiwan	83,024	88	71,691	83
Cambodia	11,098	12	14,251	17

Year	2022Q1-Q3		2021Q1-Q3	
Area	Sales Revenue (NT\$K)	%	Sales Revenue (NT\$K)	%
Taiwan	75,138	92	64,238	88
Cambodia	6,141	8	8,621	12

Market & Sales Overview (cont.)

Year of 2021 – Taiwan	
Total PV Capacity installed of Energy Division(kW)	14,813
Total PV Capacity installed and purchased by Taipower in Taiwan [Note]	6,922,304
Market Share by PV capacity installed	0.21%
Total Power Generation of PV of Energy Division (kWh)	16,946,345
Total Power Generation of PV purchased by Taipower in Taiwan (kWh) [Note]	7,472,334,575
Market Share by kWh	0.23%

Note :

1. Source: Taipower Company Website.
2. The above performance of Energy Division is on the consolidated basis.

PV Systems Status (1)

- Completed

- Domestic: 19.09MW

Year	Capacity (MW)	Type	Note
2020	10.76	Roof-mounted	
2020	2.61	Ground-mounted	
2021	1.92	Ground-mounted	Accumulated installation of 15.29MW as of Dec 2021
2022	3.80	Ground-mounted, Floating PV, and Covered playground	As of Q3, 2022
Total	19.09		

- Overseas: 5.2MW (Cambodia)

- **Grand Total : 24.29 MW**

PV Systems Status (2)

- Under Construction

- The project obtained in 2021, details are as below:

Project Name	Capacity (MW)	Type	Est. complete date	Note
Kaohsiung (22)	0.82	Covered playground and Ground-mounted	Dec. 2022	The 2022 Feed-in tariff is applicable to this project in the category of covered playground with corrugated steel sheet.
Total	0.82			

Overseas Solar Power Plant - Cambodia



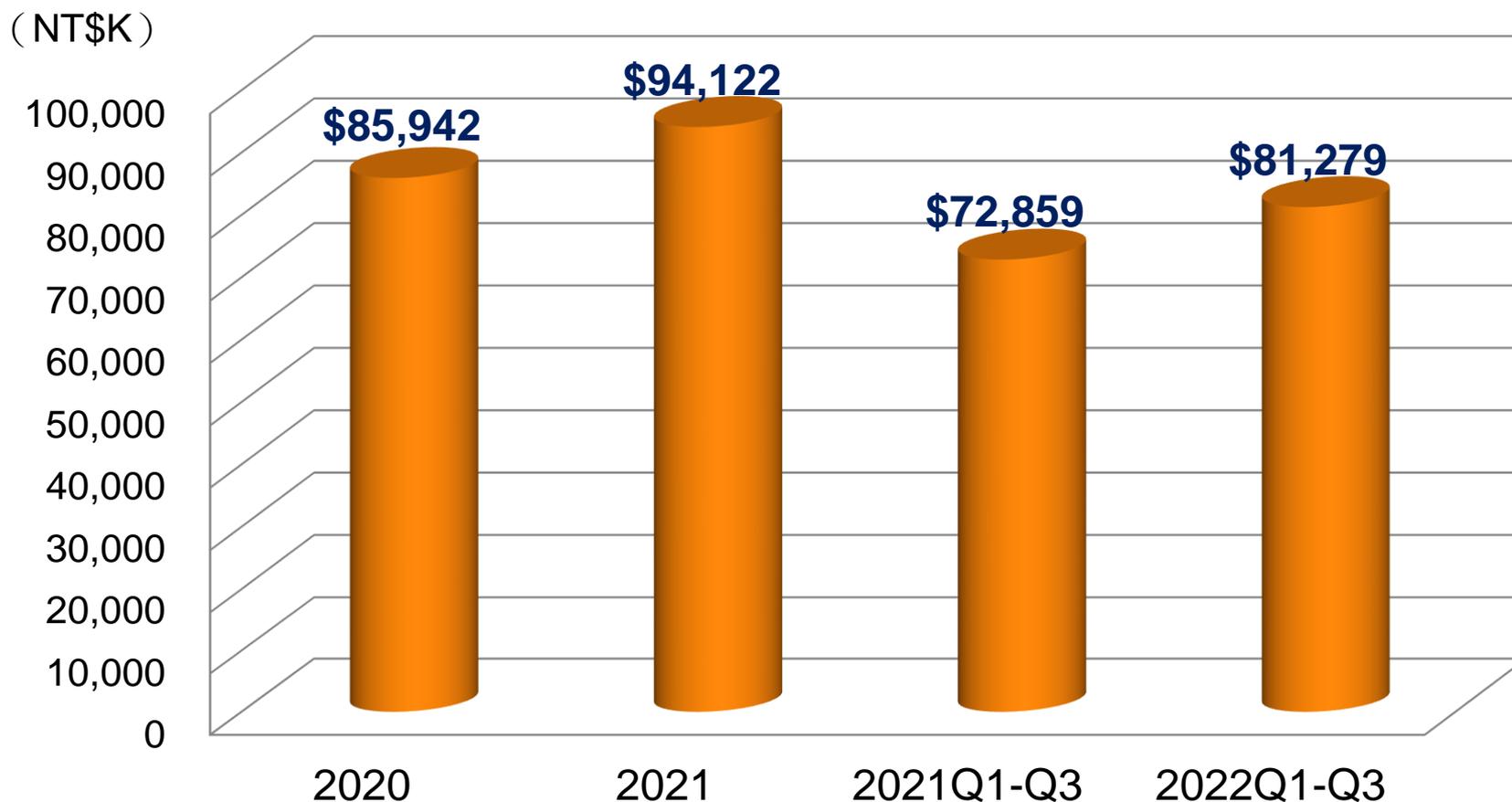
No. of Power Plant

- 1

Capacity

- 5.2MW

Revenues of Energy Division



Future Plans

- Evaluate to invest other types of renewable energy, such as biomass energy, micro-hydropower.
- Evaluate to enter the energy storage sector, and develop the BTM(behind-the-meter) business opportunity.
- Optimize the power plant management to boost the efficiency of the installed PV systems.
- Evaluate the pros and cons of the direct green electricity trading and feed-in tariff system.

PV Project Developed (1)

Wun-Shan Elementary School,
Kaohsiung



Sing-Ren Junior High School,
Kaohsiung



PV Project Developed (2)

Zong-Lien Industry Co., Ltd.
Kaohsiung



Super-Cheng Industrial Co., Ltd.
Kaohsiung



PV Project Developed (3)

Dahan Institute of Technology
Hualien



Ta-Ming High School
Taichung



PV Project Developed (4)

Veterans General Hospital-
Parking lot



Veterans General Hospital-
Dormitory Phase I & II



PV Project Developed (5)

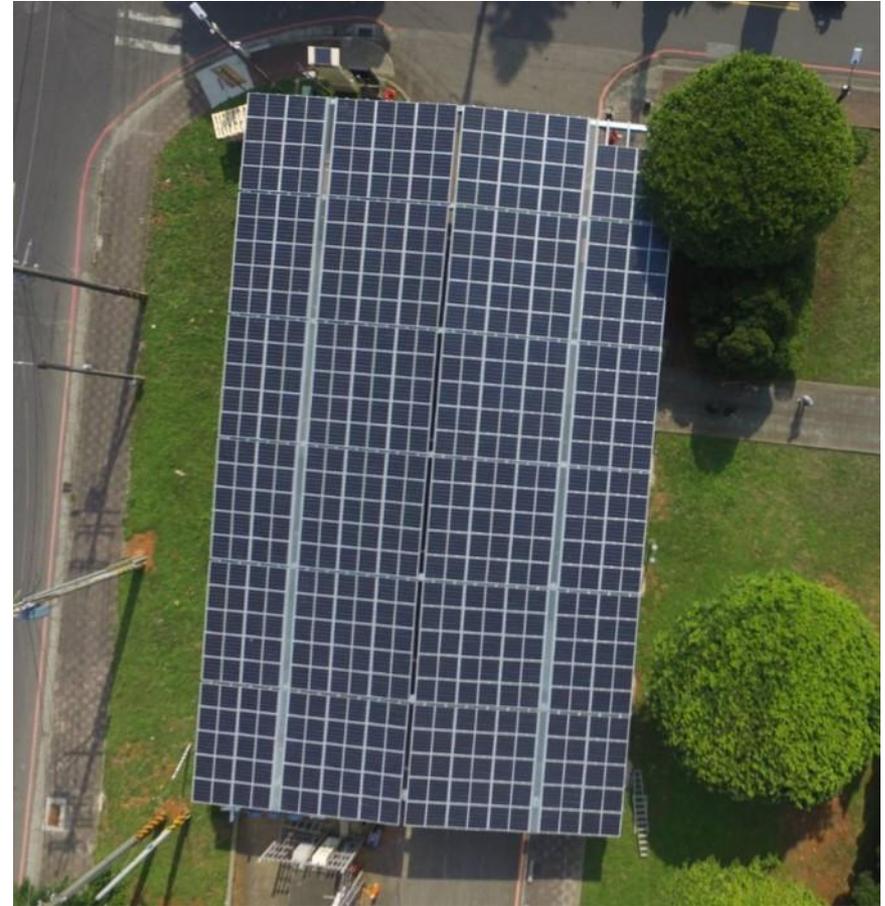
Tainan Liujia Farmers Association

Yunlin Gukeng Ground-mounted



PV Project Developed (6)

Taoyuan Youth Industrial Park
-parking lot



PV Project Developed (7)

Tai Seng Bavet SEZ, Cambodia



PV Project Developed (8)

Taichung Da-an Floating PV



PV Project Developed (9)

Qieding Junior High School (Kaohsiung)
Covered playground



Q & A