

POCS

Prime Oil Chemical Service Corporation Press Conference

April 24, 2023



Outline

- Company Profile, Financial Snapshots and Material Information Supplement
- Tank Storage Service Division update
- Energy Division update
- Q&A

Company Profile, Financial Snapshots and Material Information Supplement

About POCS

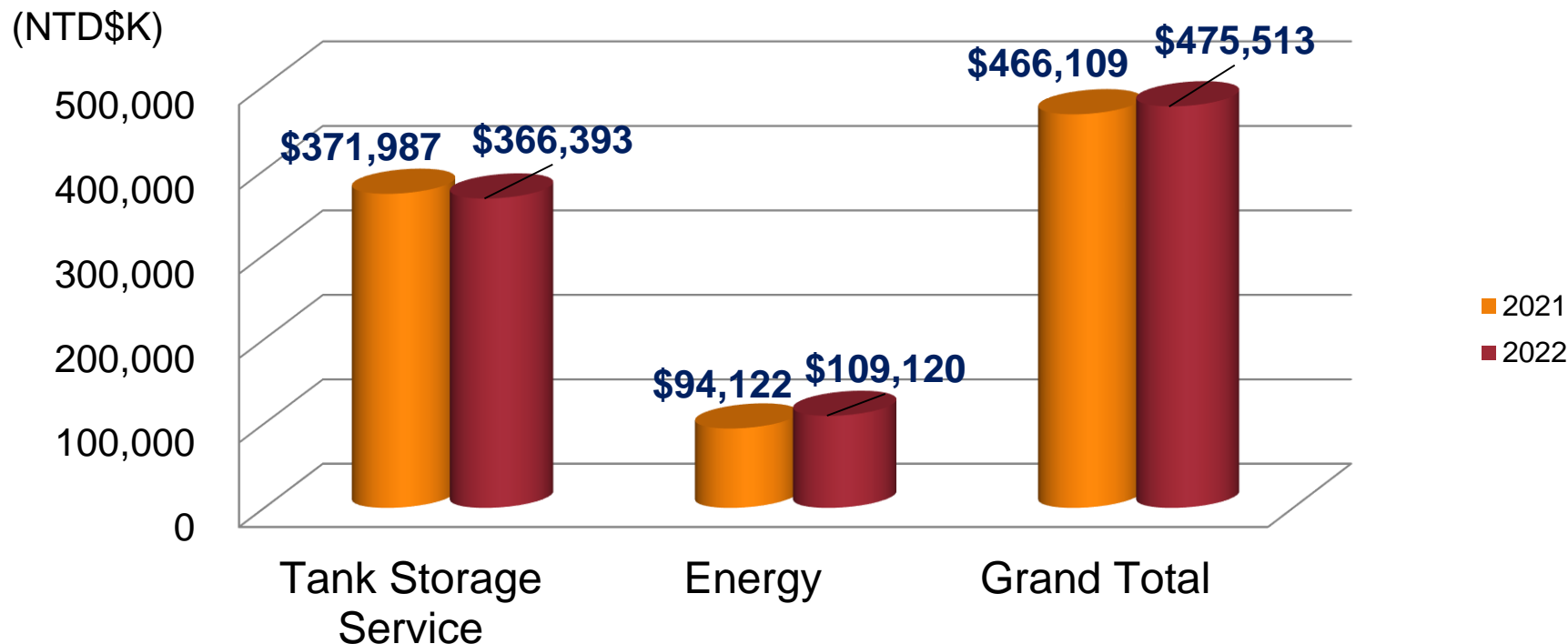
Prime Oil Chemical Service Corporation (POCS) was founded in 1978. We are a listed company on the Taiwan Stock Exchange (Stock Symbol 2904.tw). We have two main business divisions now.

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 ISO9001, ISO14001, ISO45001 & CNS45001, certifications and participating in CDI-T.

POCS started its **Energy Division** in 2016. 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 77% of consolidated sales revenue in 2021 and 2022, respectively.

Financial Snapshots (1)

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

Consolidated F/S	2022		2021		2020	
	Amount	%	Amount	%	Amount	%
Sales Revenue	475,513	100%	466,109	100%	540,837	100%
Gross profits	170,153	36%	155,131	33%	254,848	47%
Operating income	101,823	21%	88,475	19%	181,537	33%
Non-operating income and expenses	34,801	7%	998	-	3,252	1%
Net income	107,032	22%	71,412	19%	159,718	29%
Earnings Per Share	1.50		1.03		2.31	

- The higher non-operating income compared to 2021 was mainly due to gain on financial assets at fair value through profit or loss, which reflects the increase of valuation in the financial assets' fair value, not the result of a transaction.

Financial Snapshots (2)

Consolidated F/S	2022/12/31		2021/12/31		2020/12/31	
	Amount	%	Amount	%	Amount	%
Current assets	268,342	12%	212,698	13%	222,362	14%
Non-current assets	1,925,997	88%	1,422,782	87%	1,415,666	86%
Total assets	2,194,339	100%	1,635,480	100%	1,638,028	100%
Current Liabilities	464,582	21%	318,434	19%	364,186	22%
Non-current liabilities	541,793	25%	354,566	22%	235,404	15%
Total liabilities	1,006,375	46%	673,000	41%	599,590	37%
Shareholders' equity	1,187,964	54%	962,480	59%	1,038,438	63%
Liabilities+ Shareholders' equity	2,194,339	100%	1,635,480	100%	1,638,028	100%

- Non-Current assets increase were mainly due to the increase in Investment 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 paid-in capital in 2022.

Material Information Supplement (1) – Dividends Distribution

本資料由 (上市公司) 2904 匯僑 公司提供

序號	2	發言日期	112/03/23	發言時間	16:17:14
發言人	梁世詮	發言人職稱	行政管理處協理	發言人電話	2717-4347*618
主旨	董事會決議股利分派				
符合條款	第	14	款	事實發生日	112/03/23
說明	<p>1. 董事會決議日期：112/03/23</p> <p>2. 股利所屬年(季)度：111年 年度</p> <p>3. 股利所屬期間：111/01/01 至 111/12/31</p> <p>4. 股東配發內容：</p> <p>(1)盈餘分配之現金股利(元/股)：0.65000000</p> <p>(2)法定盈餘公積發放之現金(元/股)：0</p> <p>(3)資本公積發放之現金(元/股)：0</p> <p>(4)股東配發之現金(股利)總金額(元)：50,592,381</p> <p>(5)盈餘轉增資配股(元/股)：0</p> <p>(6)法定盈餘公積轉增資配股(元/股)：0</p> <p>(7)資本公積轉增資配股(元/股)：0</p> <p>(8)股東配股總股數(股)：0</p> <p>5. 其他應敘明事項： 無</p> <p>6. 普通股每股面額欄位：新台幣10.0000元</p>				

- There are many uncertainties in the future of tank storage operations, such as the Russian-Ukrainian war affecting the oil supply and demand and the tense Cross-Strait relation, which will affect foreign oil traders' assessment of storage and transportation locations.
- The operating cost have going up recently due to inflation, rising electricity prices, net-zero carbon emissions and basic wage increases, higher frequency of maintenance of tank and pipelines, etc. We have to have a certain level of cash to maintain operation flexibility and to respond to possible changes in the future.

Material Information Supplement (2) – Disputes with CHT Vietnam

本資料由 (上市公司) 2904 匯僑 公司提供

序號	1	發言日期	112/03/01	發言時間	17:51:46
發言人	梁世詮	發言人職稱	行政管理處協理	發言人電話	2717-4347*618
主旨	本公司向中華電信越南有限公司及中華電信股份有限公司請求民事損害賠償最高法院判決說明				
符合條款	第	2	款	事實發生日	112/03/01
說明	<p>1.法律事件之當事人： 匯僑股份有限公司（下稱匯僑或本公司） 中華電信越南有限公司（下稱中華電信越南） 中華電信股份有限公司（下稱中華電信）</p> <p>2.法律事件之法院名稱或處分機關：最高法院 3.法律事件之相關文書案號：112年度台上字第298號 4.事實發生日：112/03/01 5.發生原委(含爭訟標的)： 民事一審：緣本公司於民國105年12月間與中華電信越南簽訂系統建置契約，委託其進行大成經濟特區太陽光電發電系統之建置工程，交易金額共計美金7,750仟元，惟中華電信越南於106年第三季表示拒絕履行前述建置工程義務，經本公司發函催告中華電信越南依約完工及聲請調解未果，遂於107年4月向臺灣臺北地院訴請民事損害賠償。同時，中華電信越南亦反訴本公司請求給付工程款。本公司於民國109年12月31日收受臺灣臺北地方法院一審不利判決後，遂於110年1月向臺灣高等法院提起上訴。 民事二審：本公司於民國111年8月23日收受臺灣臺北地方法院二審不利判決後，遂於111年9月向臺灣高等法院提起上訴。</p> <p>6.處理過程： 本公司於112年3月1日收到最高法院書記廳通知書，其判決結果重點摘要如下： 原二審本公司應給付中華電信越南美金貳佰貳拾捌萬參仟柒佰伍拾元本息之判決廢棄，發回臺灣高等法院。</p> <p>7.對公司財務業務影響及預估影響金額： 本公司營運正常，本案判決對本公司財務及業務尚無重大影響。</p> <p>8.因應措施及改善情形： 待收到判決文書後，將與律師研議後續因應程序。</p> <p>9.其他應敘明事項(若事件發生或決議之主體係屬公開發行以上公司，本則重大訊息同時符合證券交易法施行細則第7條第2款所定對股東權益或證券價格有重大影響之事項)：無。</p>				

- The Supreme Court has reversed and remanded the original second trial decision to the Superior Court.
- The Company is allowed to retrieve \$69,120 thousand of the guarantee deposit (listed as other non-current assets) that was deposited in the court to be exempted from the provisional execution.
- The Company has not yet retrieved the deposit and the application process is in progress.

Material Information Supplement (3) – Private Equity Fund Conversion

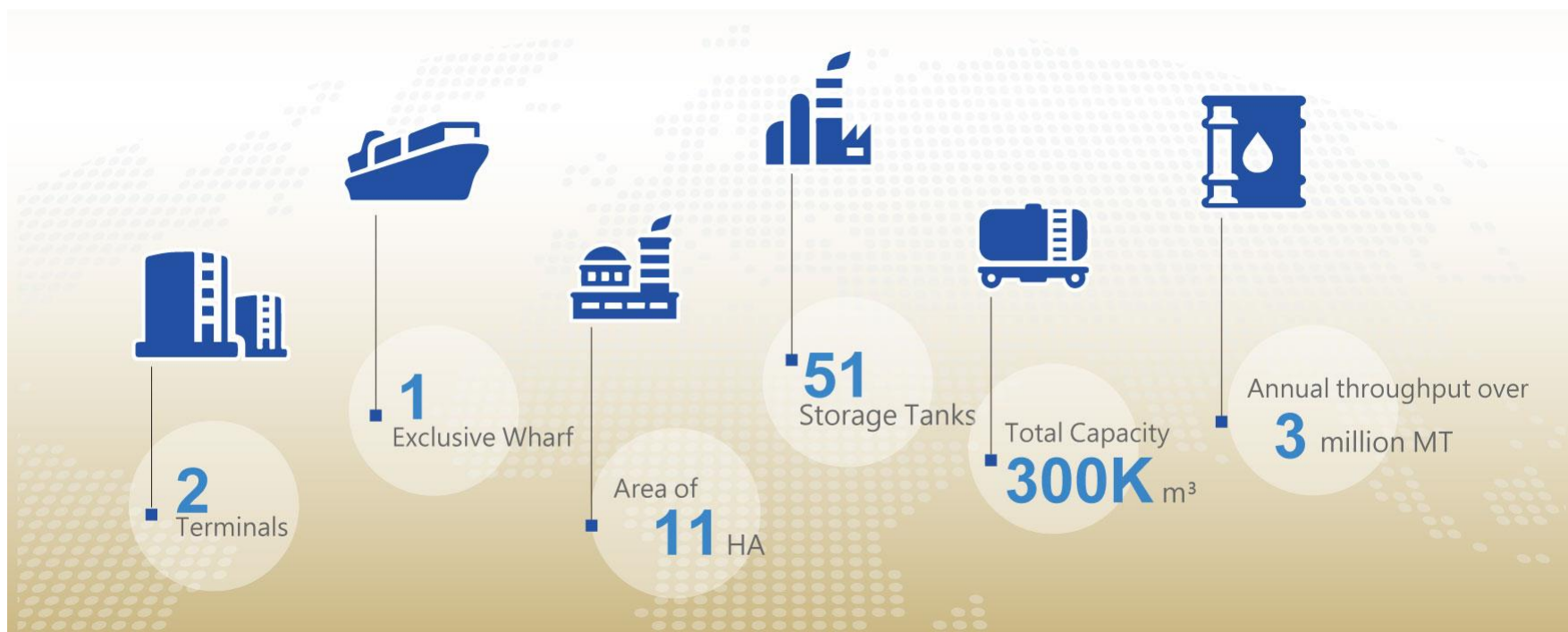
本資料由 (上市公司) 2904 匯僑 公司提供

序號	5	發言日期	112/03/23	發言時間	18:17:48
發言人	梁世鈺	發言人職稱	行政管理處協理	發言人電話	2717-4347*618
主旨	公告本公司處分私募有價證券-AB VALUE BRIDGE VII, L.P.				
符合條款	第	24	款	事實發生日	112/03/23
說明	<p>1.標的物之名稱及性質（屬特別股者，並應標明特別股約定發行條件，如股息率等）： AB VALUE BRIDGE VII, L.P. 私募有價證券</p> <p>2.事實發生日:112/03/23</p> <p>3.交易單位數量、每單位價格及交易總金額： 無交易單位數量，無每單位價格。 交易總金額：預計USD868仟元(約NTD26,040仟元)</p> <p>4.交易相對人及其與公司之關係（交易相對人如屬自然人，且非公司之關係人者，得免揭露其姓名）： AB VALUE BRIDGE VII, L.P.；非關係人</p> <p>5.交易相對人為關係人者，並應公告選定關係人為交易對象之原因及前次移轉之所有人、前次移轉之所有人與公司及交易相對人間相互之關係、前次移轉日期及移轉金額： 不適用</p> <p>6.交易標的最近五年內所有權人曾為公司之關係人者，尚應公告關係人之取得及處分日期、價格及交易當時與公司之關係： 不適用</p> <p>7.本次處分債權之相關事項（含處分之債權附隨擔保品種類、處分債權如有屬對關係人債權者尚需公告關係人名稱及本次處分該關係人之債權帳面金額： 不適用</p> <p>8.處分利益（或損失）（取得有價證券者不適用）（遞延者應列表說明認列情形）： 預計損失約NTD29,409仟元(請詳其他敘明事項第4及第5)。</p> <p>9.交付或付款條件（含付款期間及金額）、契約限制條款及其他重要約定事項： 依雙方之有限合夥契約辦理。</p> <p>10.本次交易之決定方式、價格決定之參考依據及決策單位： 董事會決議。</p> <p>11.取得或處分有價證券標的公司每股淨值:45,335,000.00</p> <p>12.有價證券標的公司私募參考價格與每股交易金額差距達20%以上:不適用</p> <p>13.迄目前為止，累積持有本交易證券（含本次交易）之數量、金額、持股比例及權利受限情形（如質押情形）： 截至111年12月31日止，本公司持有交易證券公允價值為NTD45,335仟元，持股比例約3.90%，未有權利受限之情形。</p> <p>14.迄目前為止，私募有價證券投資（含本次交易）占公司最近期財務報表中總資產及歸屬於母公司業主之權益之比例暨最近期財務報表中營運資金數額： 私募有價證券投資佔公司最近期總資產比例：19.17%</p> <p>私募有價證券投資佔公司最近期總資產比例：19.17%</p>				

- To reduce the exchange risk and enhance the overall investment benefit, the investment target was switched to Anxin 1 Limited Partnership (Anxin 1).
- The original amount invested in AB Value Bridge VII, L.P. will subtract management fee and reinvest in Anxin 1.
- Losses recognized on disposal of AB Value Bridge VII, L.P. will be set-off to a certain extent when we invest in Anxin 1.

Tank Storage Service Division

About Tank Storage Service Division

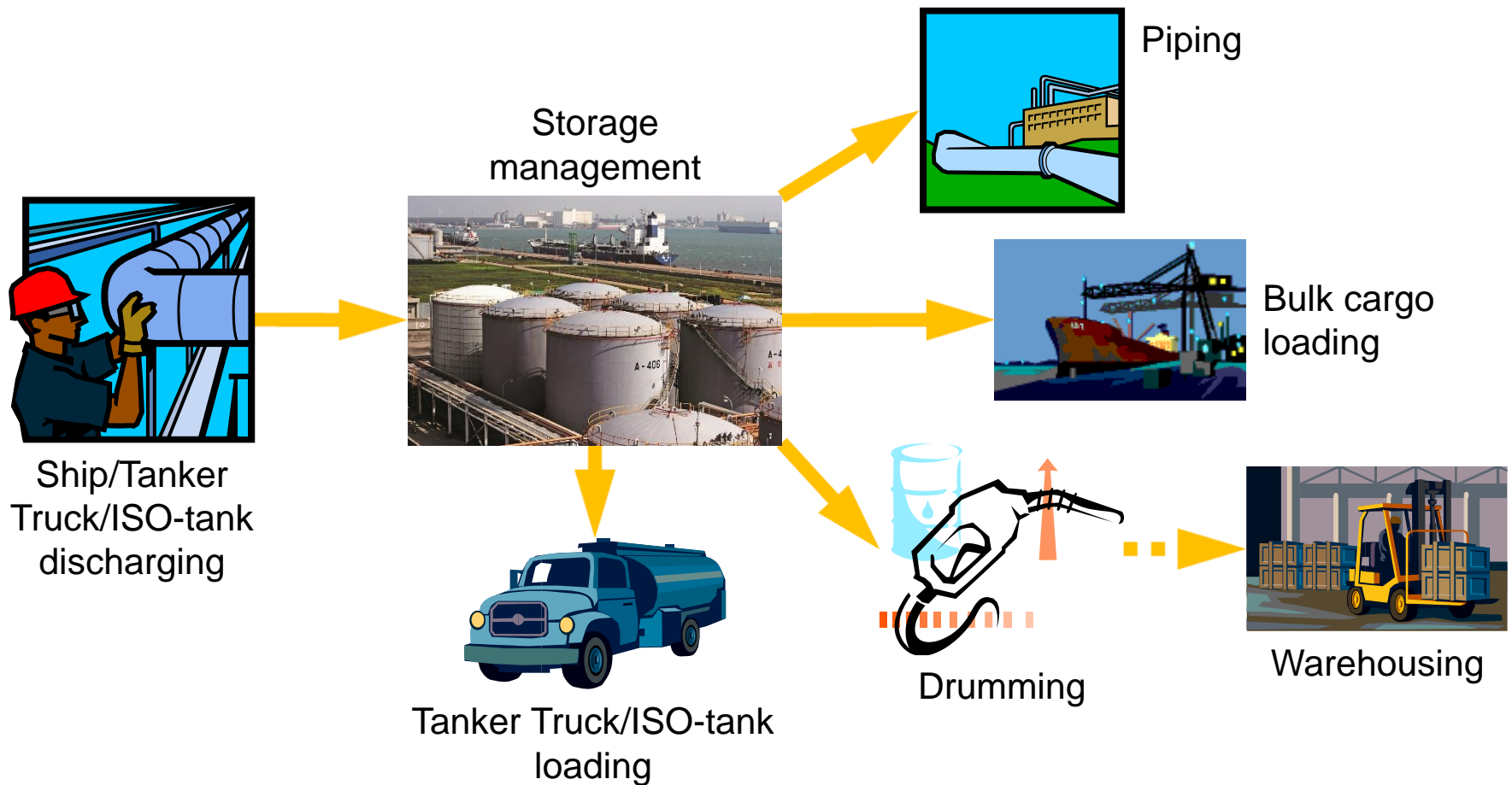


Terminal Profile

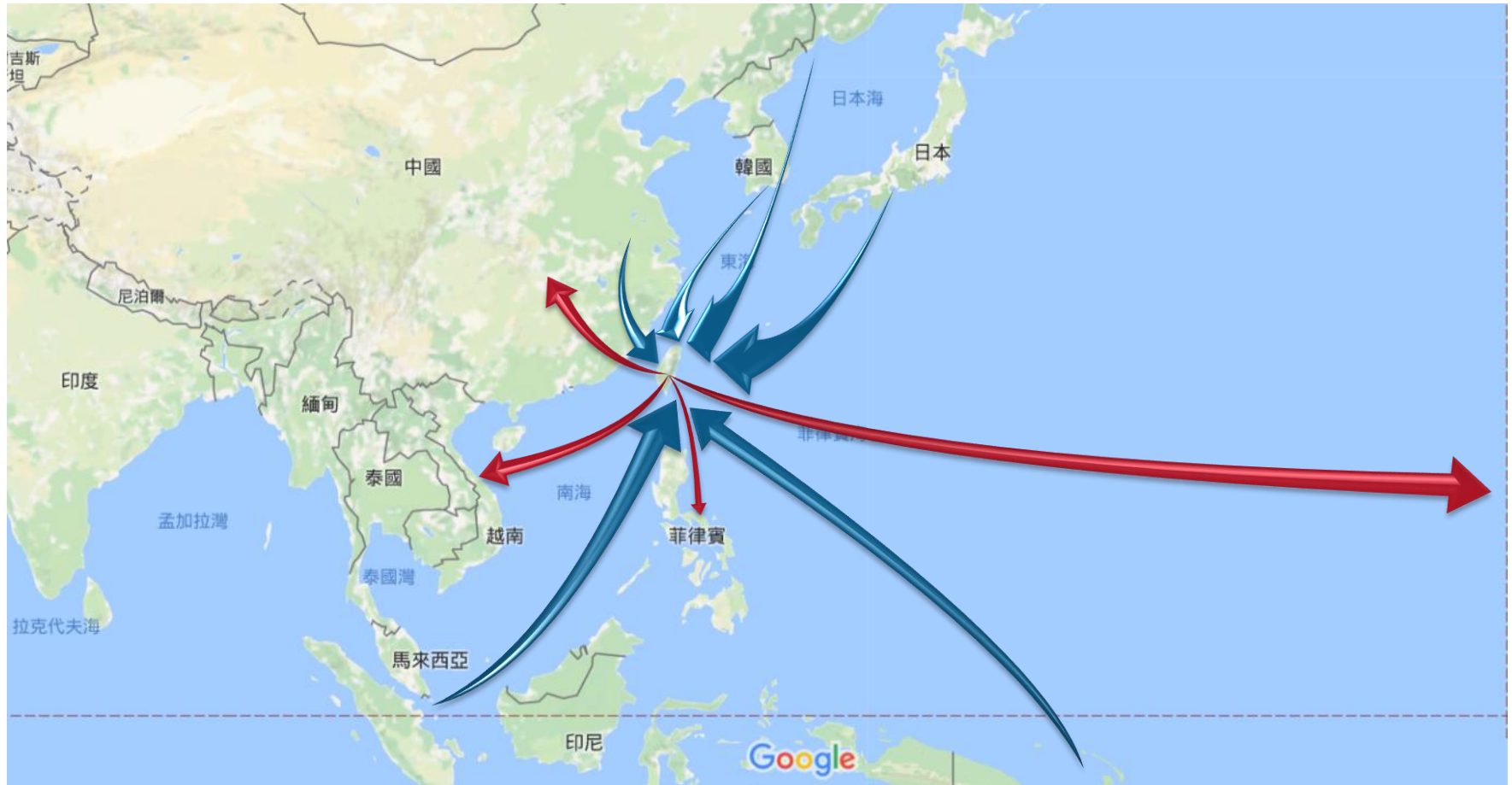
	West #5	West #2
Area (M ²)	81,054	29,223
Number of Tanks	20	31
Capacity (KL)	242,200	63,450
Loading bays	12	18
Employees	32	17
Throughput (MT/2022)	1,178,432	328,196
Cargos	Oils & chemicals	Chemicals
Key clients	Global oil traders, chemical manufacturers & traders	



Services Offered by POCS



Coverage of Cargo Transportation

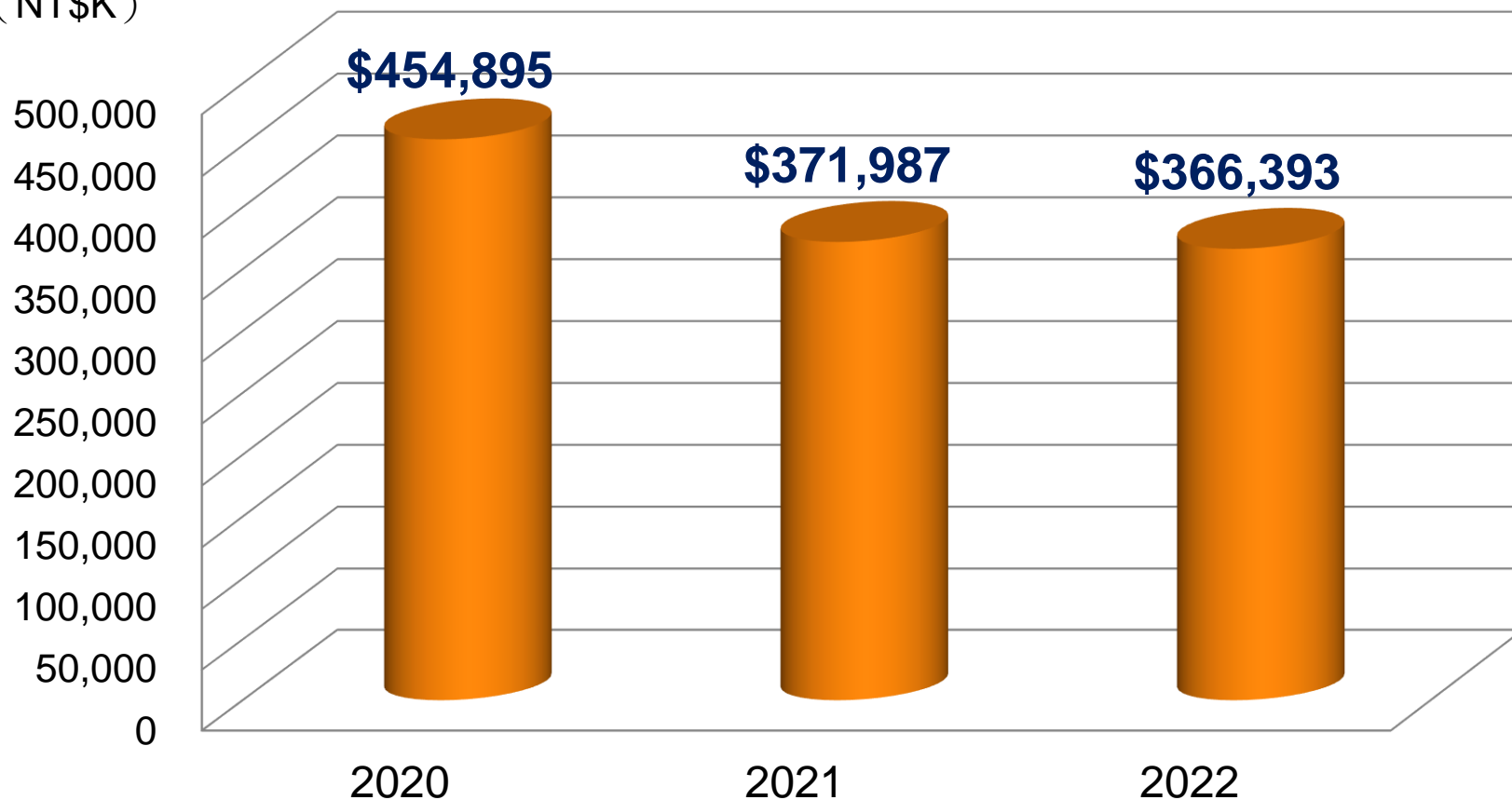


Our Advantages

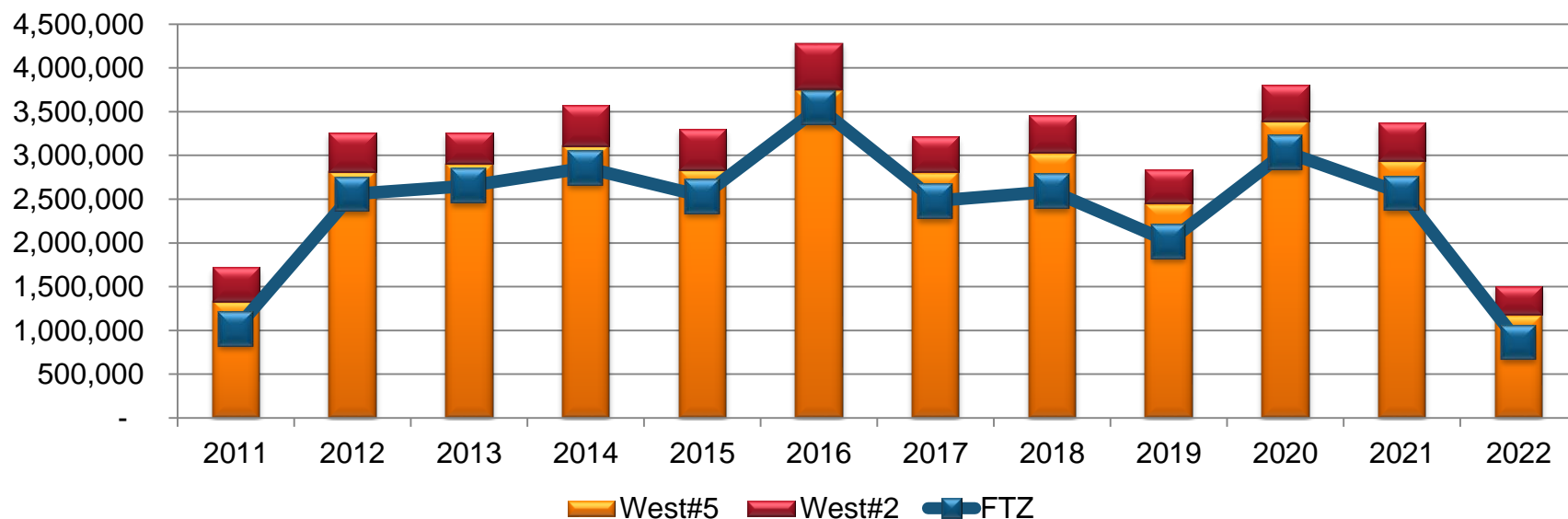
- Own a various range of capacity and types of shore tanks to meet different needs
- Can provide customized services
- Have had 30-year experiences in handling all kinds of petrochemical cargos
- Offer comprehensive services by in-house staff
- Focus on our core business to provide the most professional 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 could be around 3 million metric tons in the past. However, due to the severe impacts on the global oil market, the throughput declined significantly in 2022.

Key Impacts on Global Oil Market in 2022



Outlook

- Oil traders are more conservative in tank renting and tend to shorten the lease terms of tanks due to the significant changes in global oil market.
- The tension between Taiwan and China has affected the global oil traders' willingness to rent storage tanks in Taiwan.
- The slowdown of the global economy has reduced the demand for petrochemical-related products. The import volume of chemical cargo may drop significantly.
- The operating costs of our terminals are on the rise due to stricter relevant regulations.

Energy Division

About Energy Division



48

PV projects have been installed in Taiwan
with a capacity of **18.11MW**



1

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



Total installed capacity

23.31_{MW}

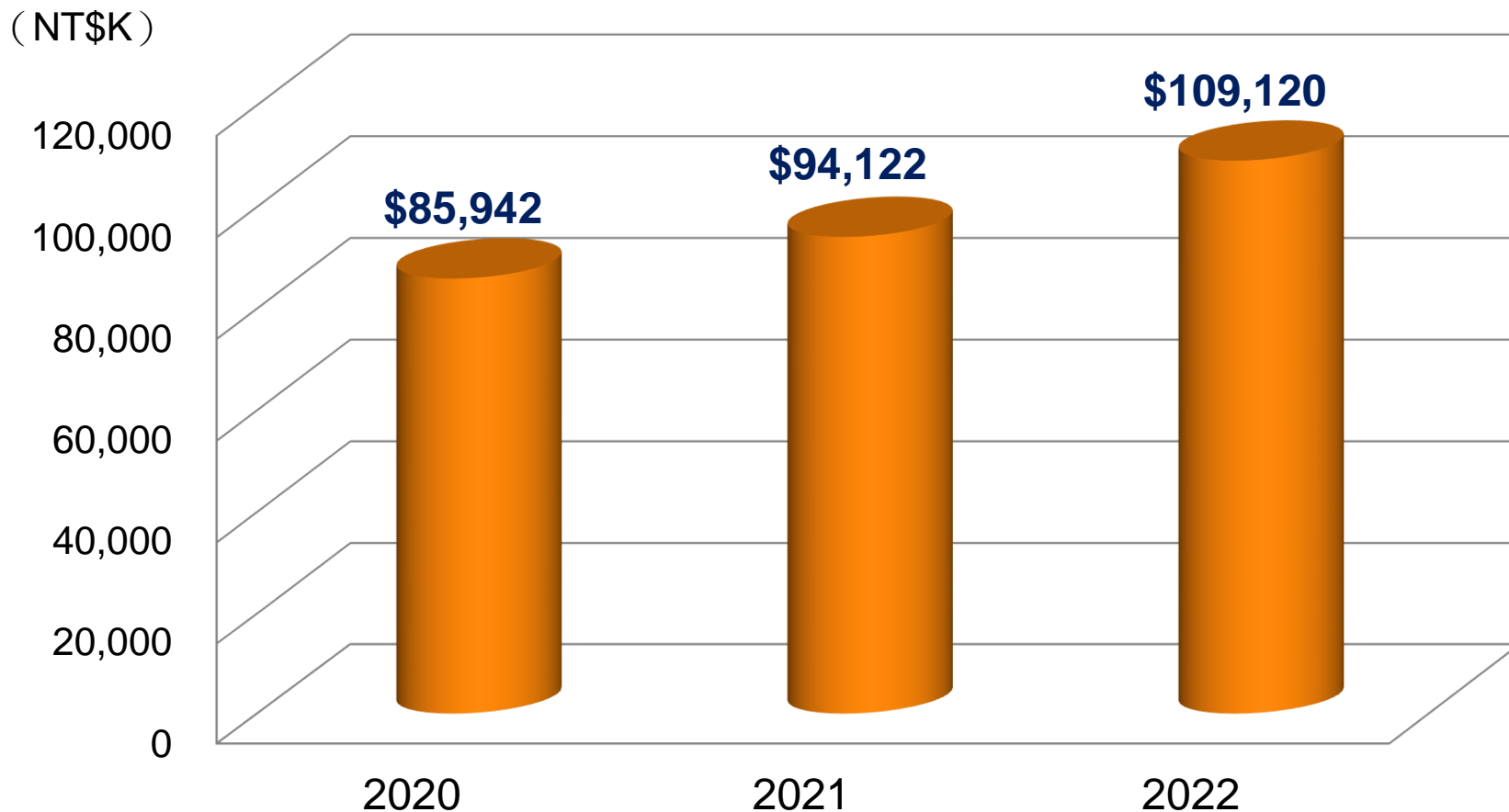
Total domestic electricity generation reached approximately 20.64 million kWh in 2022

Carbon fixation of 26.9 Da'an Forest Parks

Carbon dioxide emissions reduction of approximately 10,505 metric tons

Coal consumption reduction of 7,636 metric tons

Revenues of Energy Division



Revenues of Energy Division (cont.)

- Sales by Location:

(NT\$K)

Year	2022		2021		2020	
Area	Sales Revenue	%	Sales Revenue	%	Sales Revenue	%
Taiwan	99,512	91	83,024	88	71,691	83
Cambodia	9,608	9	11,098	12	14,251	17

Market & Sales Overview

Year of 2022 – Taiwan	
Total PV Capacity installed of Energy Division(kW)	19,091
Total PV Capacity installed and purchased by Taipower in Taiwan [Note]	9,724,000
Market Share by PV capacity installed	0.20%
Total Power Generation of PV of Energy Division (kWh)	20,637,907
Total Power Generation of PV purchased by Taipower in Taiwan (kWh) [Note]	10,675,335,000
Market Share by kWh	0.19%

Note :

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

PV Systems Status

- Completed

- Domestic: 18.11MW

Year	Capacity (MW)	Type	Note
2020	10.76	Roof-mounted	
2020	2.61	Ground-mounted	
2021	1.92	Ground-mounted	
2022	2.0	Ground-mounted & Floating PV & Covered playground	1,8MW was sold in Q4 2022 due to asset portfolio adjustment of the installed projects.
2023	0.82	Ground-mounted & Covered playground	Added 0.82MW as of the first quarter of 2023
Total	18.11		

- Overseas: 5.2MW (Cambodia)

- **Grand Total : 23.31 MW**

Overseas Solar Power Plant - Cambodia



No. of Power Plant

- 1

Capacity

- 5.2MW

Future Plans

- Focus on the development of large-scale solar photovoltaic field and cooperate with large-scale EPC.
- Prudently evaluate the business model of joint venture in order to scale up.
- To improve power generation efficiency and adopt a refined management model.
- Align with government policies and world trends, move towards the goal of carbon reduction and net zero, and sustainable ESG development.

PV Project Developed (1)

Zong-Lien Industry Co., Ltd.
Kaohsiung



Super-Cheng Industrial Co., Ltd.
Kaohsiung



PV Project Developed (2)

Dahan Institute of Technology
Hualien



Ta-Ming High School
Taichung



PV Project Developed (3)

Veterans General Hospital Parking Lot
Kaohsiung



Veterans General Hospital-
Dormitory Phase I & II



PV Project Developed (4)

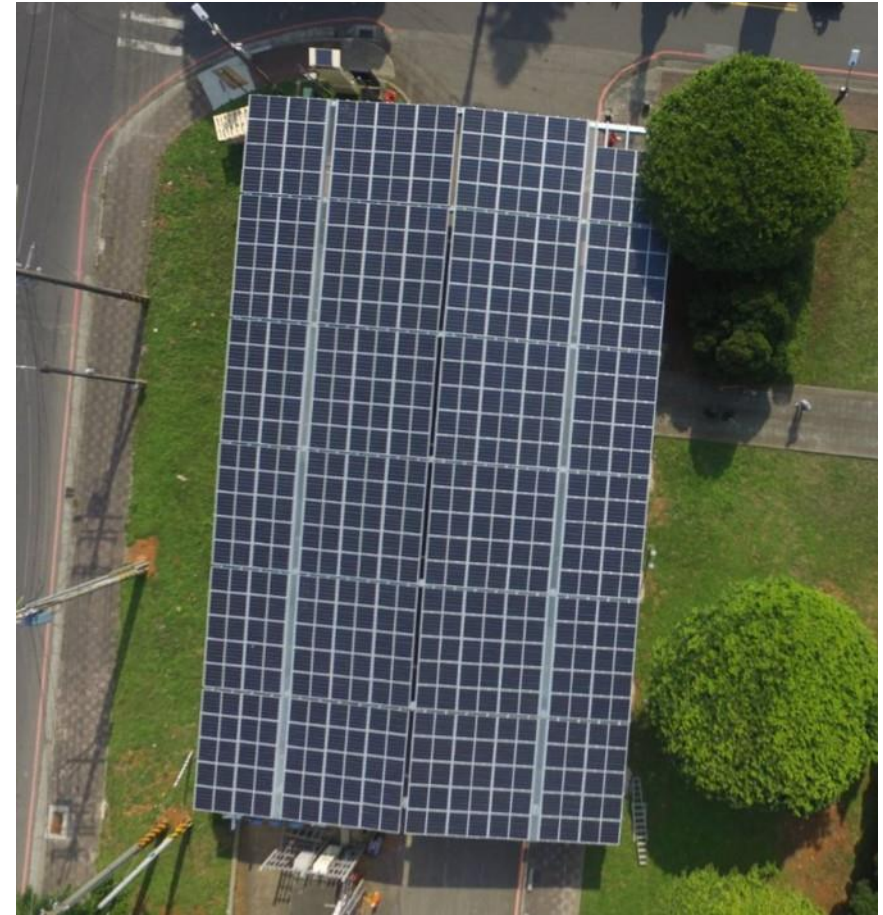
Liu-jia Farmers Association, Tainan

Gukeng Ground-mounted, Yunlin



PV Project Developed (5)

Youth Industrial Park Parking Lot
Taoyuan



PV Project Developed (6)

Tai Seng Bavet SEZ, Cambodia



PV Project Developed (7)

Da-an Floating PV, Taichung



PV Project Developed (8)

Qieding Junior High School
Covered playground, Kaohsiung



PV Project Developed (9)

Cheng-gong Vil. Parking Lot, Tainan



PV Project Developed (10)

Fu-zhong Street Parking Lot, Tainan



Q & A