



***Taiwan Fertilizer Co., Ltd. (1722 TT)***  
***Company Introduction***

***November 29<sup>th</sup>, 2022***

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# History and Milestones

**1946**



TFC was established by the R.O.C government and initiated to produce fertilizer & chemical products.

**1980**



Established Jubail JV, a 50/50 joint venture between TFC and SABIC Co. which is located in Saudi Arabia, to produce Urea & Ammonia.

**1993**



Agreed to invest in 2-EH project in Al-Bayroni and to extend JV contract with SABIC Co. for 20 years (1993~2013)

**1999**



TFC was privatized while the R.O.C government still being the largest shareholder with its 24% share.

**2009**



Agreed to extend JV contract with SABIC Co. for another 20 years (2013~2033)

**2013**



TFC's Taichung plant officially began its operation, focusing on the fertilizer chemical production business, and starting its conducting land activation project.

**2016**



In coordination with the R.O.C government's "New Southbound policy", "Construction of Taichung Harbor West Dock 10" project was adopted by the Board of Directors of TFC in order to expand global market.



# History and Milestones

**2017**



Cooperated with the R.O.C government's fertilizer policies, TFC had accomplished the goal of comprehensively "Biotic-organic" solution.

**2018**



Won the "Platinum Award of Top 50 Corporations Sustainability Report" award, and was selected by the "2019 FTSE4Good TIP Taiwan ESG Index".

**2019**



Held the Beaming Ceremony of "Nangang C2 Project".

**2021**



Held the ground breaking ceremony of "X Plan" project in Land D6.

**2022**

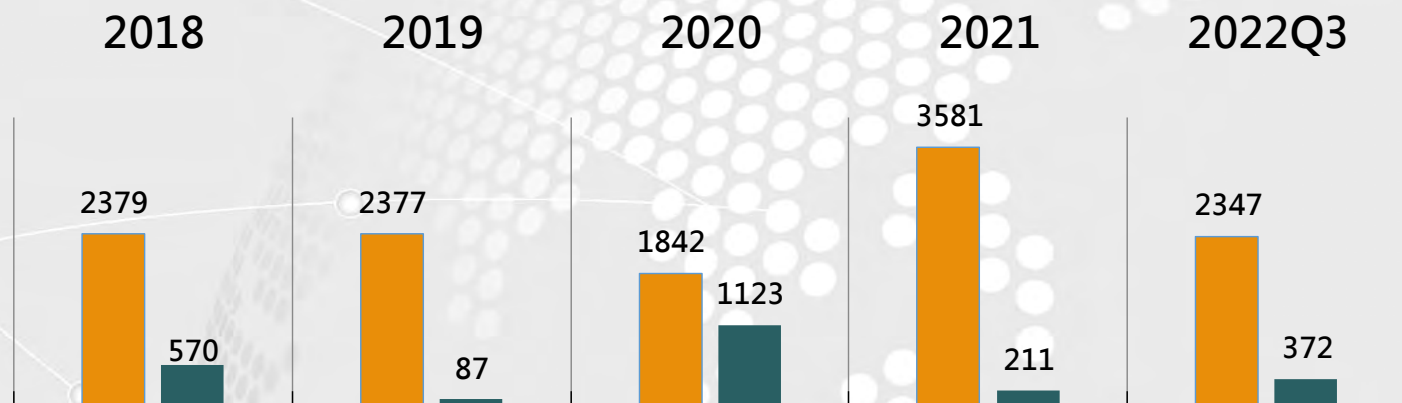


Once again selected by "FTSE4Good TIP Taiwan ESG Index". The company had been selected every year since 2019.



# TFC's Financial – Breakdown

■ Core Business(Operating Profit+ Jubail JV) ■ Others NT\$ Million



Year	2018	2019	2020	2021	2022Q3
Operating Income	1,286	1,626	1,248	507	(655)
Jubail JV	1,093	751	594	3,074	3,002
Core Business	2,379	2,377	1,842	3,581	2,347
Others	570	87	1,123	211	372
Income Tax Expenses	(668)	(400)	(512)	(757)	(542)
Net Income	2,281	2,064	2,453	3,035	2,177
<b>Earning per share (NT\$)</b>	2.33	2.11	2.50	3.10	2.22



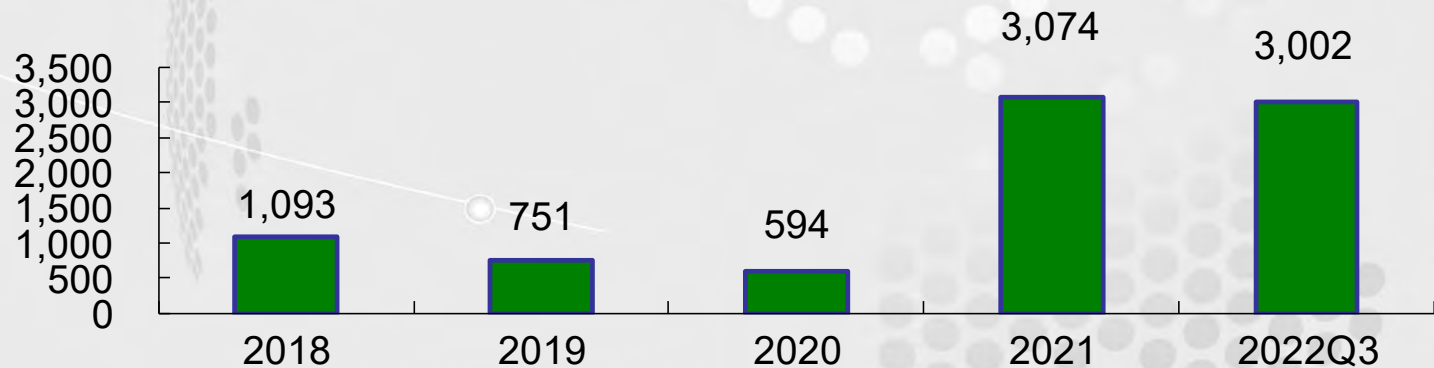
# TFC's Financial – Overseas investment

## ■ Saudi Arabia- Jubail JV

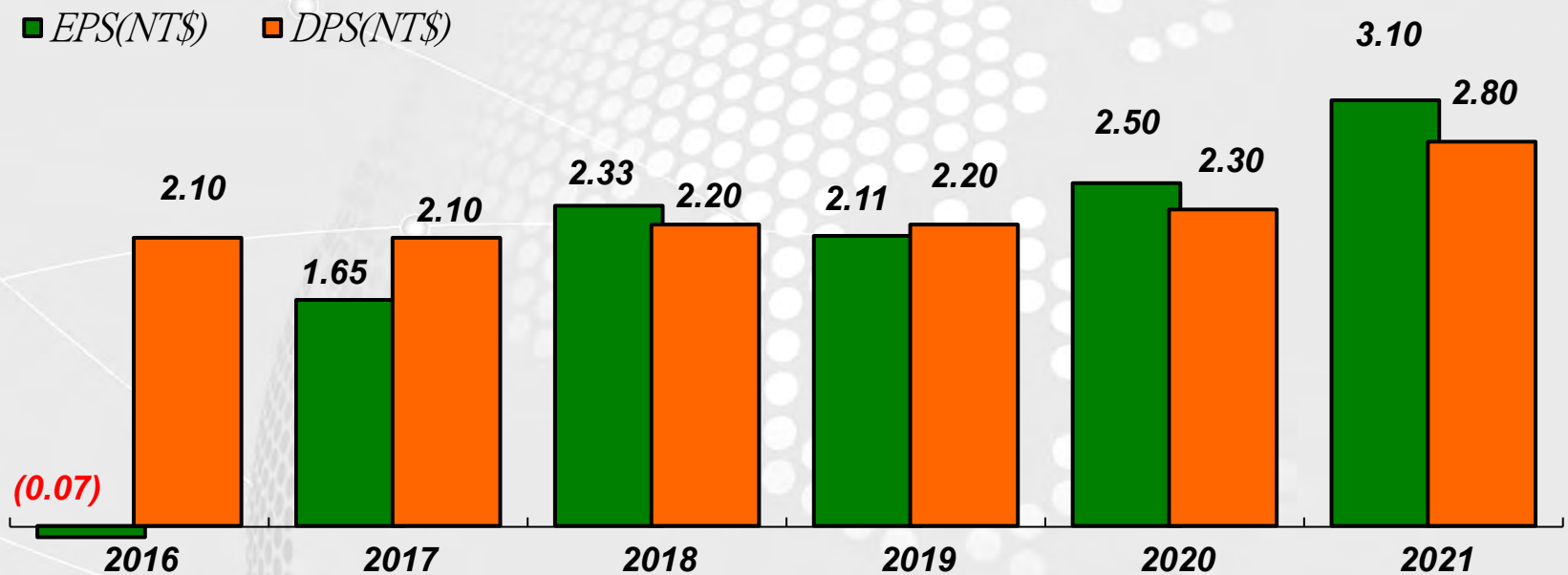
Four Main Products: Urea, Ammonia, 2-EH, and DOP.

■ Share of profits of Jubail JV(TFC Account)

NT \$ million



# TFC Dividend Policy

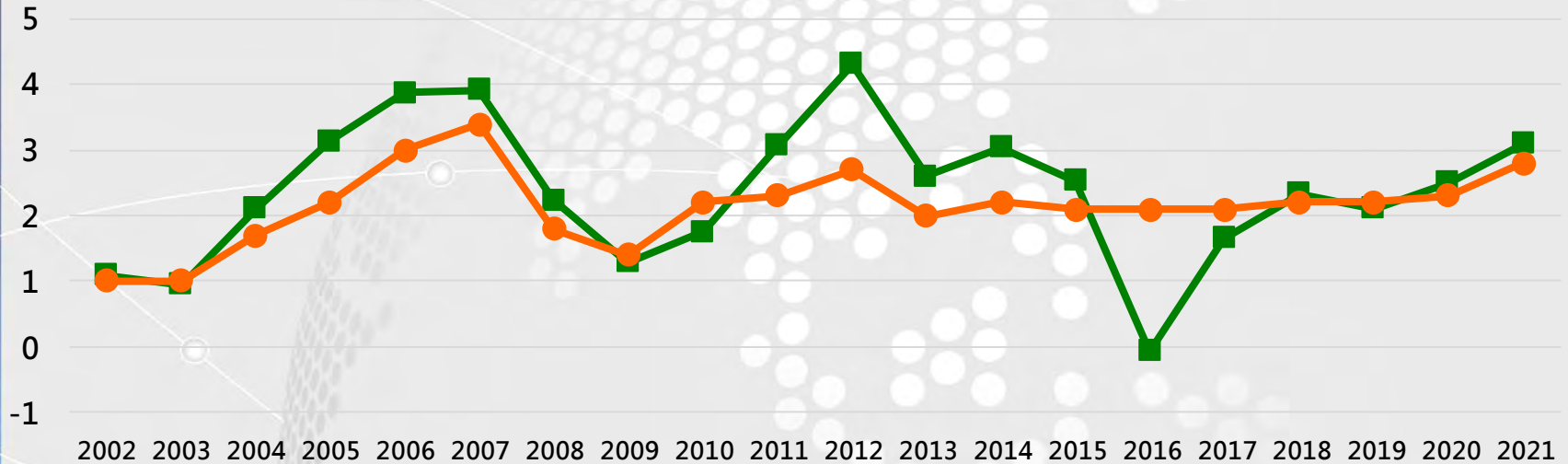


- TFC maintained a high payout ratio in the past few years.
- Dividend policy: Primary focusing on stable growth and cash dividend.



# TFC Dividend Policy

■ EPS(NT\$)    ● DPS(NT\$)



Year	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
EPS (NT\$)	1.09	0.95	2.11	3.14	3.88	3.91	2.24	1.29	1.76	3.07
DPS (NT\$)	1.0	1.0	1.7	2.2	3.0	3.4	1.8	1.4	2.2	2.3

Year	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
EPS (NT\$)	4.31	2.60	3.04	2.53	-0.07	1.65	2.33	2.11	2.5	3.1
DPS (NT\$)	2.7	2.0	2.2	2.1	2.1	2.1	2.2	2.2	2.3	2.8

Note : Correction of Consolidated Financial Reports in 2012-2016.



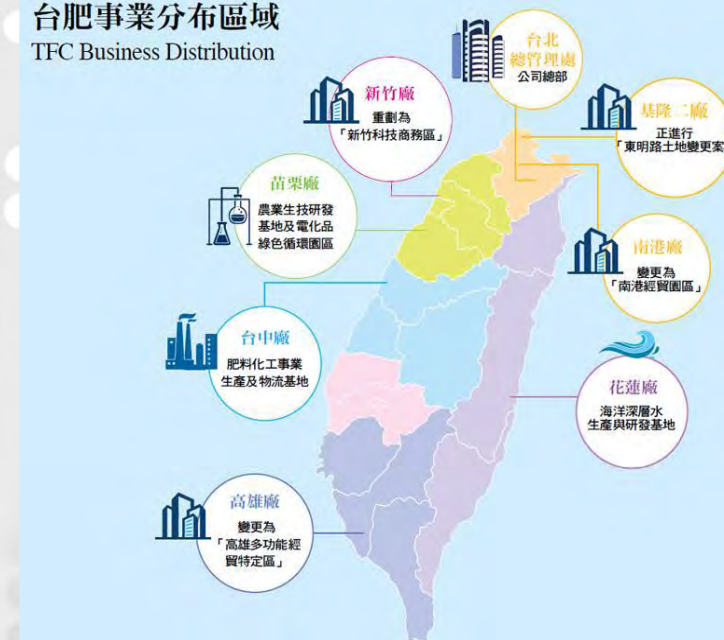


# Production capacity&Location

Business	Factory	Product Item	Capacity (mt/kl)
Fertilizer & Chemical	Taichung	nitrophosphate compound fertilizer	300,000
		nitrophosphate compound fertilizer(PEIFENG)	150,000
		ammonium phosphate compound fertilizer	140,000
		ammonium sulfate	150,000
		single superphosphate	120,000
		nitric acid(65%)	165,000
		organic fertilizer	6,000
	Miaoli	instant compound fertilizer	3,500
		biotechnology nutrient solution	600
		phosphoric acid	5,500
		NMP	3,600
Hualien	electronic-grade nitric acid	7,200	
	electronic-grade ammonia water	7,200	
	Deep Ocean Water	600,000	
	Deep Ocean Water Production Park		
Real estate & Investment	(Former Nangang )	Nangang Business-Trade Park	
	(Former Hsinchu)	Hsinchu Tech Business Park	
	(Former Kaohsiung)	Kaohsiung Multifunctional Commerce & Trade Park	



台肥事業分布區域  
TFC Business Distribution



# Fertilizer & Chemical Business

## **Fertilizer Business in Taiwan**

### ■ **What we supply—**

Compound and single nutrient fertilizer products.

### ■ **Whom we supply—**

Fully supplying to Taiwan domestic farmers.

### ■ **Who we are—**

As the major supplier of Taiwan fertilizer market.

## **Chemical Business in Taiwan**

### ■ **What we supply—**

Ammonia, sulfamic acid, untreated urea, nitric acid, electronic and precision chemicals, oleum, melamine, etc.

### ■ **Whom we supply—**

Mainly supplying to Taiwan domestic industries while selling some sulfamic acid and nitric acid products overseas.

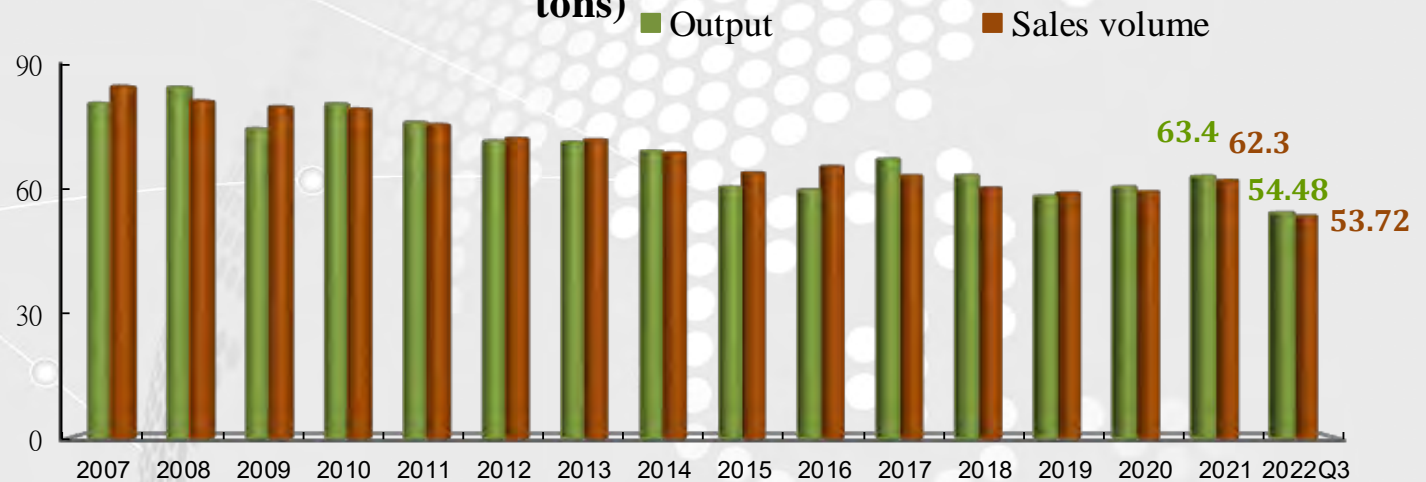
## **Seeking logistic & trading Opportunities**

Incorporating the existing procurement business in raw materials and taking advantage of the edge of the special piers at Taichung Harbor along with the planning of free trade zone therein, using chemical storage tanks to further expand the business of import procurement, unloading warehousing, transit trade, while actively transforming into the role of a provider for product integration services and a supplier for relevant raw materials.

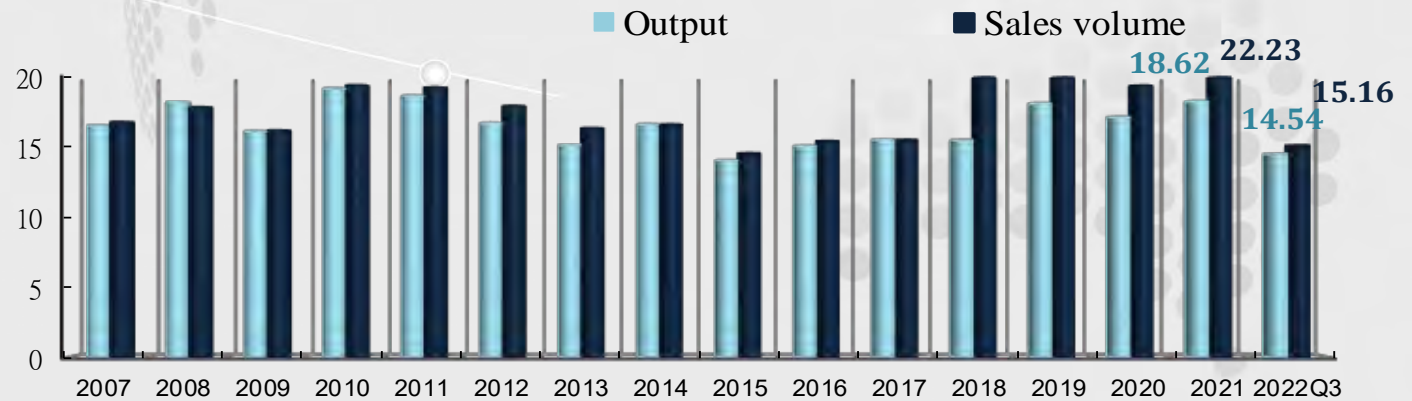


# Production & Sales

**Fertilizer Production and sales trend chart (ten thousand tons)**



**Chemical Production and sales trend chart (ten thousand tons)**



# Land Development- Map of Significant Projects



Nangang Business-Trade Park No.C2 and C4 Project



Kaohsiung Multifunctional Commerce and Trade Park



Hualien Deep Ocean Water Production Park



Development plan of Dongming Rd, Keelung

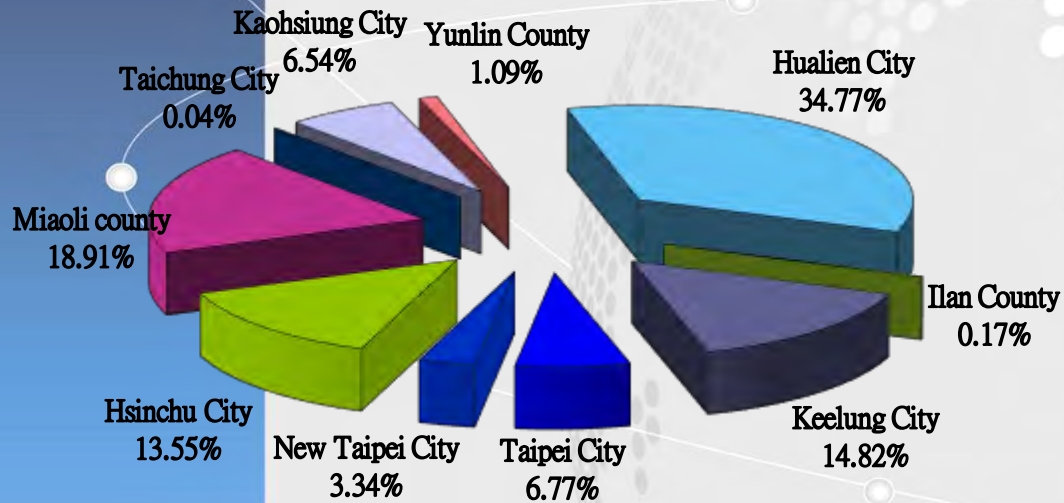


Hsinchu Tech Business Park



# List of Land Assets

Area ratio chart



Location	Lot of land	size(m <sup>2</sup> )
Taipei City	58	108,984.61
New Taipei City	105	53,860.22
Keelung City	227	238,763.12
Ilan County	3	2,761.53
Hsinchu City	55	218,181.57
Miaoli County	112	304,530.33
Taichung City	1	581.62
Yunlin County	1	17,510.00
Kaohsiung City	5	105,301.77
Hualien County	44	560,082.00
<b>Total</b>	<b>611</b>	<b>1,610,556.77</b>

Remarks : The data collection date is Sep., 30, 2022.



# 2023 Land Development Plan

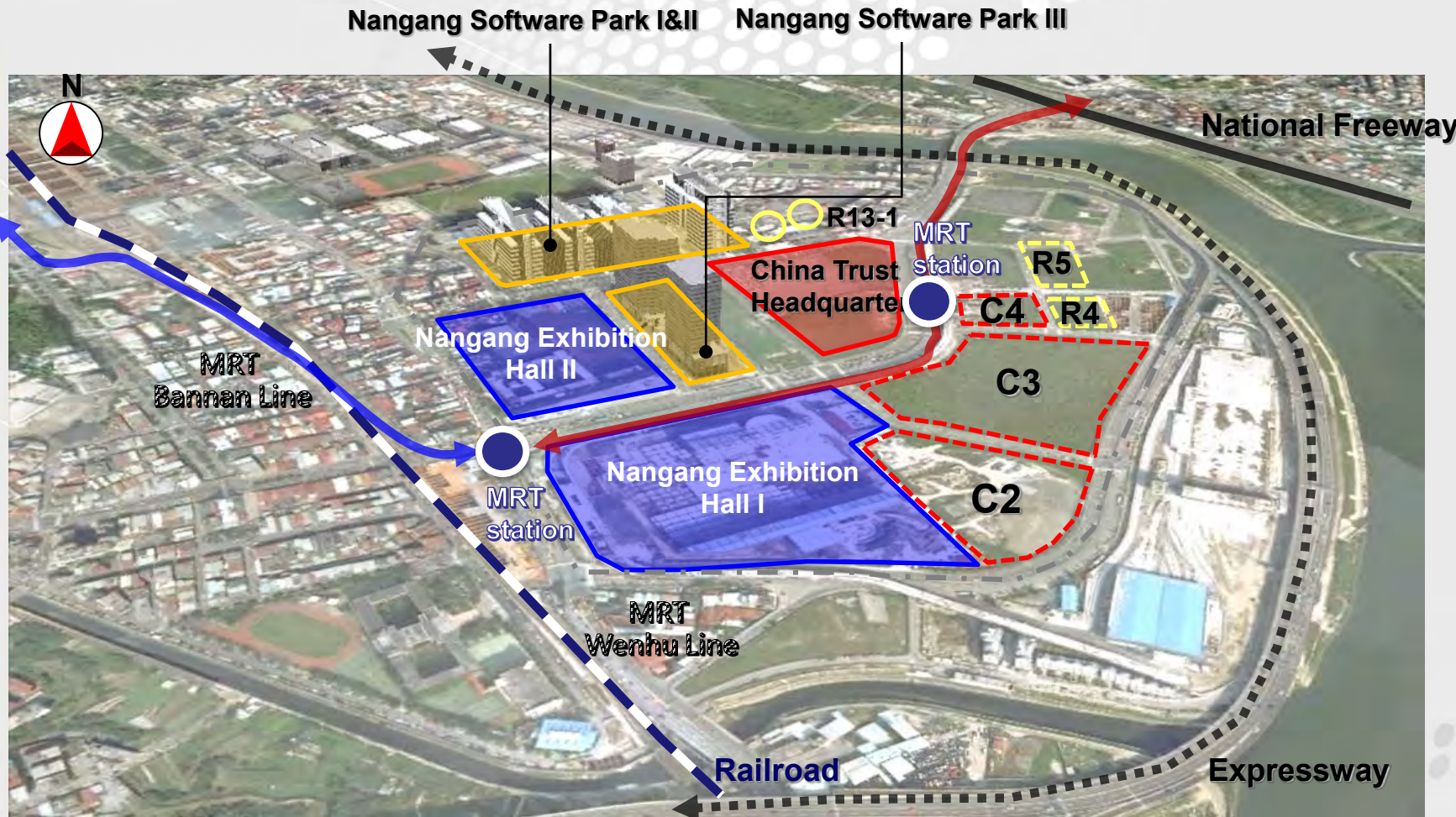
Area	Size(ping)	Size(m <sup>2</sup> )	Current Status
Nangang Business-Trade Park No.C2 (Taipei)	7,051	23,310	Commercial building and the basement had obtained Usage License in Oct, 2021. The hotel buildings are still under construction. It is planned to be completed in April 2023.
Nangang Business-Trade Park No.C3 (Taipei)	12,565	41,537	The right of superficies had been given to Taiwan Life Insurance Co., Ltd. for 45 years.
Nangang Business-Trade Park No.C4 (Taipei)	2,091	6,911	In order to comply with Taipei City government's air bridge policy, the construction license alteration of design had been completed. The whole case is now ready for construction.
Hsinchu Tech Business Park No.D6 (Hsinchu)	10,799	35,610	The right of superficies had been given to Hsinchu Science Park Bureau (MOST) for 70 years.
Hsinchu Tech Business Park No.D7 (Hsinchu)	17,790	58,810	1. TFC ONE(D7-A) is fully rented. 2. D7-B had obtained its Construction License.
Keelung DongMing Road (Keelung City)	9,448	31,235	The project is under the review of urban plan.
Kaohsiung Multifunctional Commerce and Trade Park (Kaohsiung City)	48,779	161,253	1. "7C Urban land Readjustment " is implemented by Kaohsiung City government. 2. The Land No. 7D is ready for lease.
Hualien Deep Ocean Water Production Park (Hualien Factory)	138,734	458,627	It is focusing on the program of Deep Ocean Water Production, meanwhile it is inviting investors.



# Location of Nangang



# Significant Developments in Nangang Business-Trade Park





# Nangang Business-Trade Park No.C2 Development Plan—Hotels and Commercial Building



Land size : 23,310 m<sup>2</sup> (7,051ping)

Plot Ratio : 440%

Building Coverage Ratio: 60%

Program :

- GFA : Around 199,172.15m<sup>2</sup> (around 60,000 ping)
- Tower A : Hotel/26F
- Tower B : Business Office/ 28F
- Tower C : Hotel/ 17F
- 4 Floors underground

Strategy : Rental Management/Develop by TFC

Status :

1. The building permit had been approved in May, 2017. In June, 2017, the strategy was under adjustment. The floor area of the office building increased and the design of the building license changed, increasing benefits of the whole case.
2. In Oct. 2021, partial usage license of commercial building and the basement had been obtained and the building had been rent out successively. The A and C hotel constructions are expected to be completed in April 2023.
3. Office Building (Building B) : Leasing started from Q3 of 2021.
4. Hotel A (Building A) : The whole building is leased to Grand Hi-Lai Hotel, and the hotel is planned to open in the second half of 2023.
5. Hotel C (Building C) : Due to the impact of COVID-19 , the public leasing procedure will be carried out after obtaining the Usage license.



# Nangang Business-Trade Park No.C4 Development Plan—Commercial Building



Land Size : 6,911m<sup>2</sup> (2,091 ping)

Plot Ratio : 360%

Building Coverage Ratio: 60%

Total Floor area : 58,513.64m<sup>2</sup> (about 17,717 ping) ; 22 floors /4 floors underground.

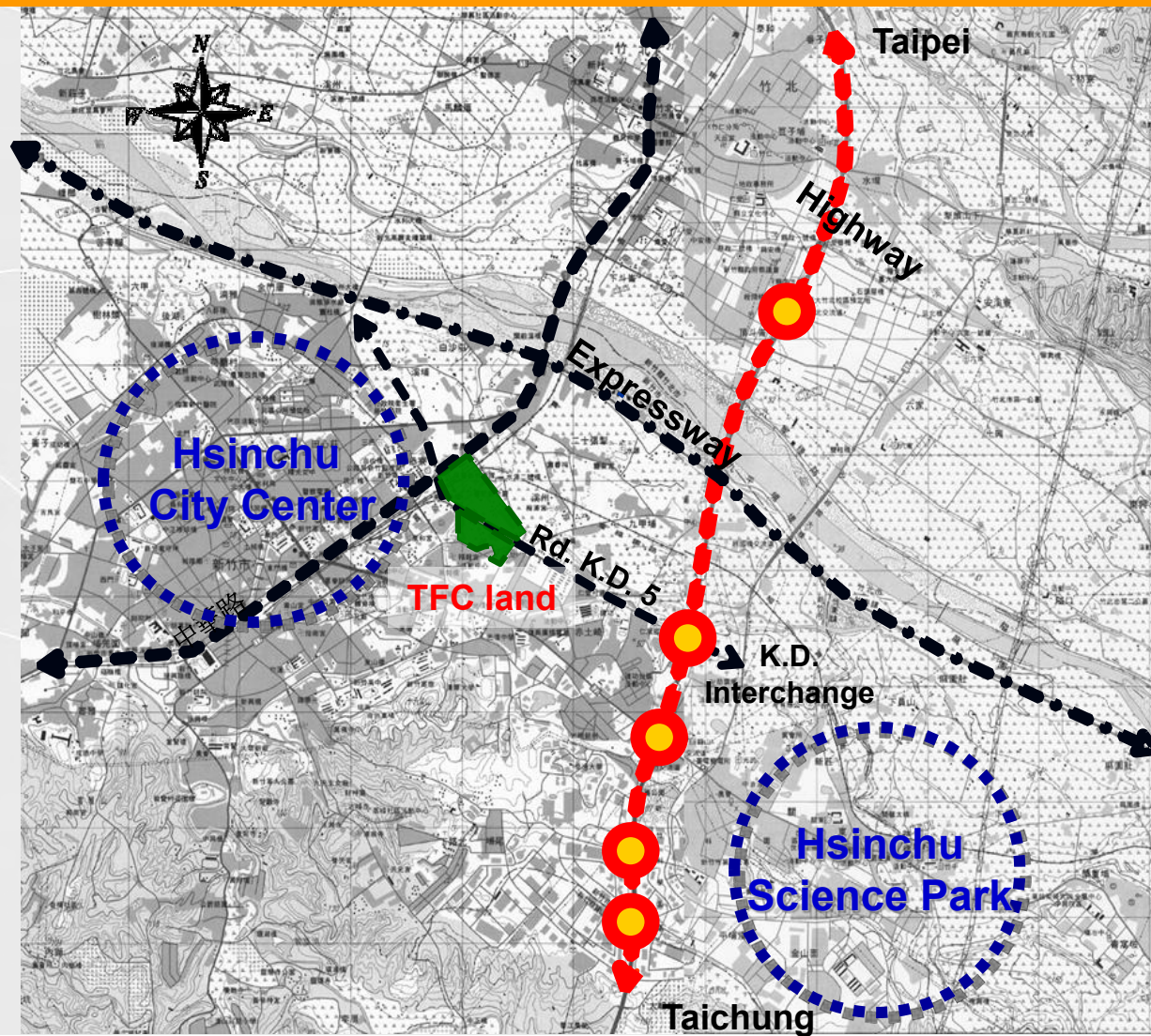
Policy : Rental Management/Develop by TFC

Status:

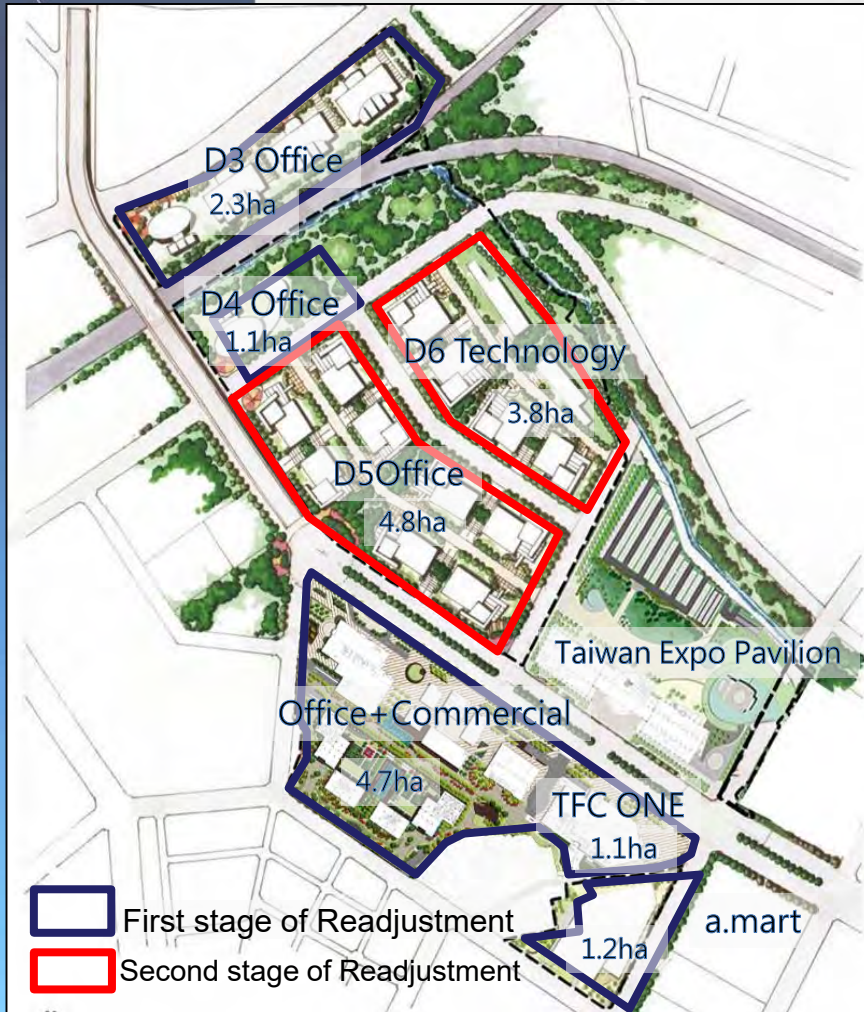
1. Obtained construction license in the middle of 2020. .
2. In order to comply with Taipei City Government's air bridge policy, the construction license alteration of design was completed.
3. The whole case is ready for construction.
4. The project is expected to be completed in 2026.



# Location of Hsinchu Science Park



# Hsinchu Science Park— Urban Land Consolidation



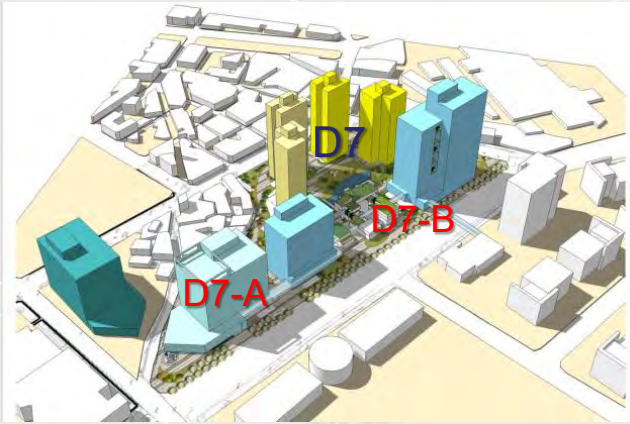
**Land Size** : 190,581m<sup>2</sup> (57,651ping)

**Plot Ratio/Coverage Ratio** : 210%、65%

**Status** :

1. First stage of Readjustment (D3,D4,D7 included, about 10.4HA)
  - Urban Land Consolidation is completed.
2. Second stage of Readjustment (D5,D6 included, about 8.6HA)
  - The Hsinchu City Government included these districts into the scope of “X Plan“. In Nov. 2021, declaration of construction’s readjustment and cadaster registration are done.
  - In cooperation with the mentioned plan, D6 land’s superficies is given to Hsinchu Science Park Bureau, MOST with the duration of 70 years after receiving a royalty of NT\$2.842 billion.

# Hsinchu Science Park D7 Block



## **Hsinchu Tech Business Park(D3-D7)**

Land Size : 7HA

Plot Ratio : 210%

Building Coverage Ratio : 65%

## **Hsinchu Tech Business Park(D7-A)**

Land Size : 1.1 HA

Total floor area : 21 thousand Ping

Policy : Rental Management/Develop by TFC

Status : The office construction is done in Aug. 2017 and it is fully rented.

## **D7B**

Land Size : 2.48 HA

Total floor area : 4.3 thousand Ping, with two commercial buildings

Policy : Rental Management by TFC

Develop by TFC or with others

Status : Construction License has been obtained in April 2022.



# Hsinchu Science Park

## ***D3 Mobile City (short-term use)***

Land Size : 22,715.29m<sup>2</sup> (6,871 ping)

Plot Ratio : 210%

Building Coverage Ratio: 65%

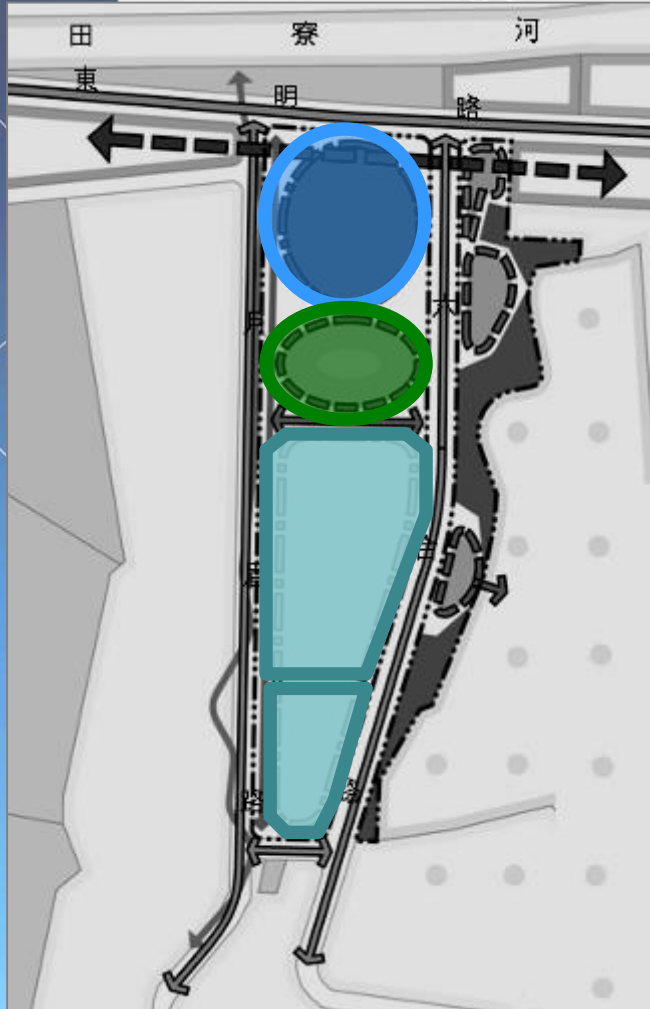
Program : Mobile showroom & basic maintenance station

Status :

1. All leased, to Audi, Toyota, Volkswagen, etc.
2. Current annual rental income is about NTD \$ 43 million.



# Keelung Medical Park



**Land Size** : 31,235m<sup>2</sup> (9,448 ping) (Type Yi Industrial land)

**Plot Ratio** : 150%

**Building Coverage Ratio** : 60%

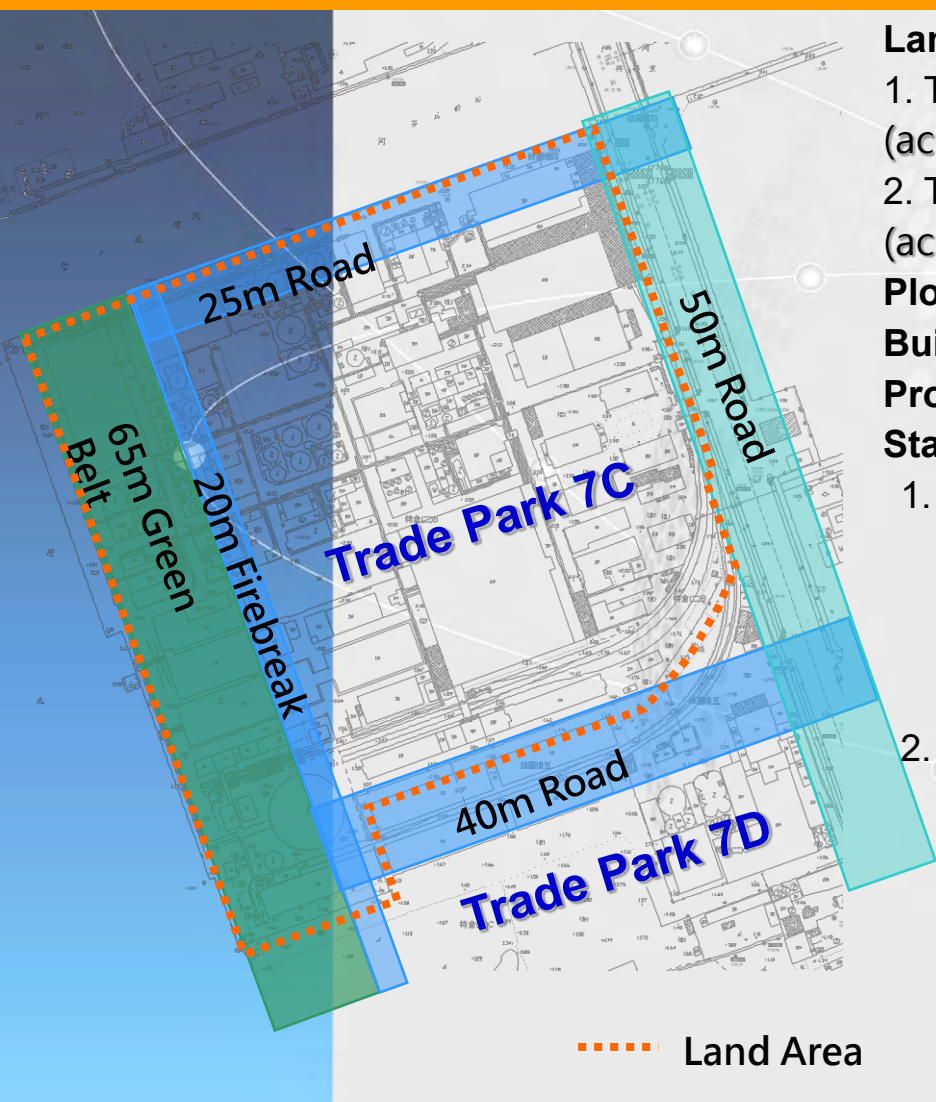
**Program** : Planning residential and commercial areas

**Status** :

1. In cooperation with the policy of Keelung City's urban policy, the city government is planning to transfer the land from industrial use into residential use with an alternative process.



# Kaohsiung Multifunctional Commerce & Trade Park



**Land Size** : 161,253m<sup>2</sup> (48,779 ping)

1. Trade 7C (16.91 HA) Land size of TFC:158,008 m<sup>2</sup> (account for 93.58% of the whole area)
2. Trade 7D (7.09 HA) Land size of TFC:3,245 m<sup>2</sup> (account for 4.57% of whole area)

**Plot Ratio** : 490%

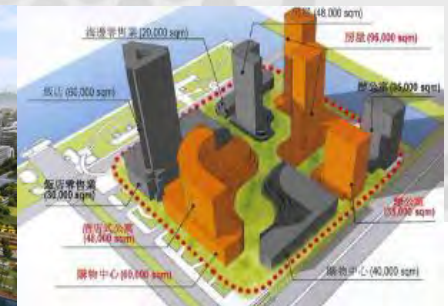
**Building Coverage Ratio**: 60%

**Program**: Mall, Office, Hotel and Cultural Facilities

**Status** :

1. Trade Park 7C & 7D area had been torn down and cleared. Trade Park 7C is now developing “Urban Land Readjustment”, which is implemented by Kaohsiung City government, and working on the procedure of Replotting Specification and dispute resolution. The works are expected to be completed in the beginning of 2023.
2. Land registration of Trade Park 7D is done, TFC received land number 9, and the land size is 1,605.58 m<sup>2</sup>. Currently, it's for renting.

----- Land Area





# Hualien Deep Ocean Water Production Park

**Land Size** : About 46 hectare in Hualien Factory

**Summary** : Using the features of ocean deep water to develop diversified products and related value-added industry, as well as activate the land in Hualien factory.

**Program** : Manufacturing and sale of bottled drink water 、 salt manufacturing 、 processed food additives 、 cosmetics and functional food ; aquaculture and its processing.



## Status :

### 1. First Stage(2005~2011) :

- TFC invested 0.482 billion to draw deep ocean water by setting up drawing pipe and related facilities and established "Taiwan Yes Deep Ocean Water Co., Ltd. "in September,2006. TFC is running the business of bottled drink water, DOM salt, Nigari Concentrate and Cosmetics.

### 2. Second Stage(2011~2022) :

- Starting the program of Deep Ocean Water Production Park from April,2011, developing stage by stage.
- To draw the attention of investors, it's mainly divided into aquaculture area, manufacturing and processing area, experience area. At the same time, we are working on multiple-stage aquaculture and deep ocean water production through industry-university cooperative research project. We are dedicating to achieving three one-hundred-percent goals.
- On December 2, 2017 and October 3, 2018, the Premier Lai and President Tsai inspected the park respectively, expected to combine and upgrade the development of Hualien's tourism industry and marine resources industry.



***Thank You !***

